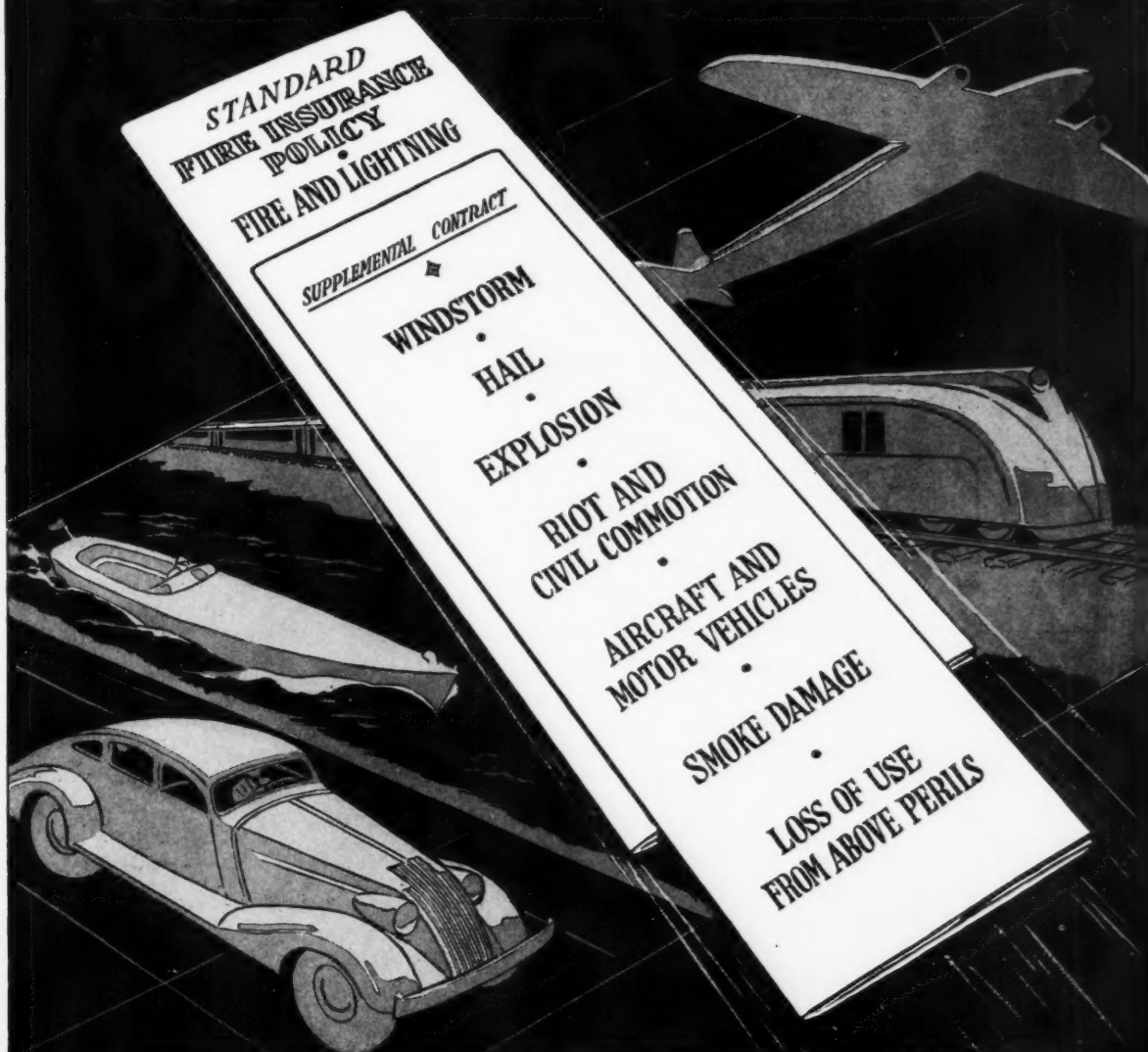


The NATIONAL UNDERWRITER

Streamline YOUR FIRE POLICIES



BRING YOUR FIRE POLICIES UP TO DATE

INSURANCE, like everything else, is subject to progress, just as automobiles, trains and other means of transportation of former days have all been improved and made more efficient.

Our regular FIRE insurance policies are brought up to date by the NEW "SUPPLEMENTAL CONTRACT," and are now as far ahead of the old fashioned, simple fire policy as the new streamlined conveyances are ahead of the old stage coaches.

LOYALTY GROUP

Firemen's Insurance Company of Newark, New Jersey—ORGANIZED 1855

The Girard Fire & Marine Insurance Co. ORGANIZED 1853
The Mechanics Insurance Co. of Philadelphia " 1854
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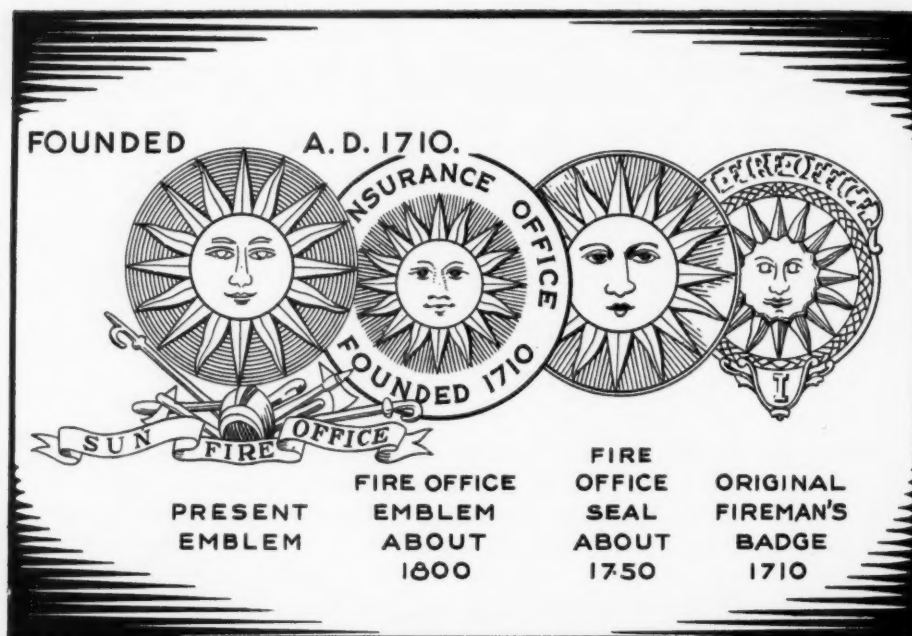
EASTERN DEPARTMENT
10 Park Place
Newark, New Jersey

Milwaukee Mechanics' Insurance Company ORGANIZED 1852
National-Ben Franklin Fire Insurance Co. " 1866
The Concordia Fire Insurance Co. of Milwaukee " 1870
Commercial Casualty Insurance Company " 1909

PACIFIC DEPARTMENT
220 BUSH STREET, SAN FRANCISCO, CAL.
SOUTH-WESTERN DEPT
912 COMMERCE STREET, DALLAS, TEXAS

THURSDAY, JUNE 3, 1937

THROUGH THE CENTURIES-WITH THE SUN



Reproduced above are Sun emblems from the original badge worn by the "Thirty lusty and able-bodied Firemen and Twenty able Porters likewise" mentioned in the original Proposals issued in 1710, to the emblem used today on all letterheads, business forms, advertising and policies.

There have been many changes and refinements in the design of this two hundred and twenty-seven year old emblem just as there has been an ever-growing list of coverages and continual improvements and broadening of the lines of insurance written by this Company during the past ten score and seven years.

However, just as the original design of a "rotund faced sun, surrounded by sixteen rays, eight direct and eight wavy, alternating" persisted throughout the emblems from 1710 to the present day, so the ideal of giving the public better and more secure protection in its time of need persisted unerringly through the history of the Sun.

The Sun Insurance Office Ltd. (the oldest insurance organization in the world), its affiliated companies, its agents and policyholders can look back on an exciting and glamorous history but, better still, they can look forward to a future that will ever guarantee them sound and reliable protection, continued growth and conservative expansion.



SUN INSURANCE OFFICE LTD.

**PATRIOTIC INSURANCE
COMPANY OF AMERICA**

MARINE DEPARTMENT
111 JOHN ST., NEW YORK
WM. H. MCGEE & CO., INC., GENERAL AGENTS

OF LONDON

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55 FIFTH AVE., NEW YORK
O. TREGASKIS, U. S. MANAGER

**SUN UNDERWRITERS INSURANCE
COMPANY OF NEW YORK**

**SUN INDEMNITY CO.
OF NEW YORK**

PACIFIC COAST DEPARTMENT
SAN FRANCISCO, CAL.
SWETT & CRAWFORD, GENERAL AGENTS

CHARLES W. OHLSEN, MANAGER, **WESTERN DEPARTMENT** 309 W. JACKSON BLVD., CHICAGO

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Security for American Property Owners Since 1841



PROGRESS—

The new suspension bridge connecting San Francisco and Oakland, California is the largest of its type in the world. Its total length is 43,500 feet; piers are sunk 235 feet below surface; longest span 1,700 feet; double decks, one with six lanes for fast traffic and the other with three lanes for slower vehicles; cost \$75,000,000. This huge structure was built to provide a means of safer and more comfortable travel for motorists. It is a monument to SECURITY and Progress.

The SECURITY INSURANCE COMPANY of NEW HAVEN, with its sound New England background and its conservative yet progressive practices, is a symbol of SECURITY and Progress in insurance.

Agents should be interested in representing an institution of this character. Write for information.

Do Business with a Strong American Stock Company Operating Through Responsible Agents.

HOME OFFICE
NEW HAVEN, CONNECTICUT

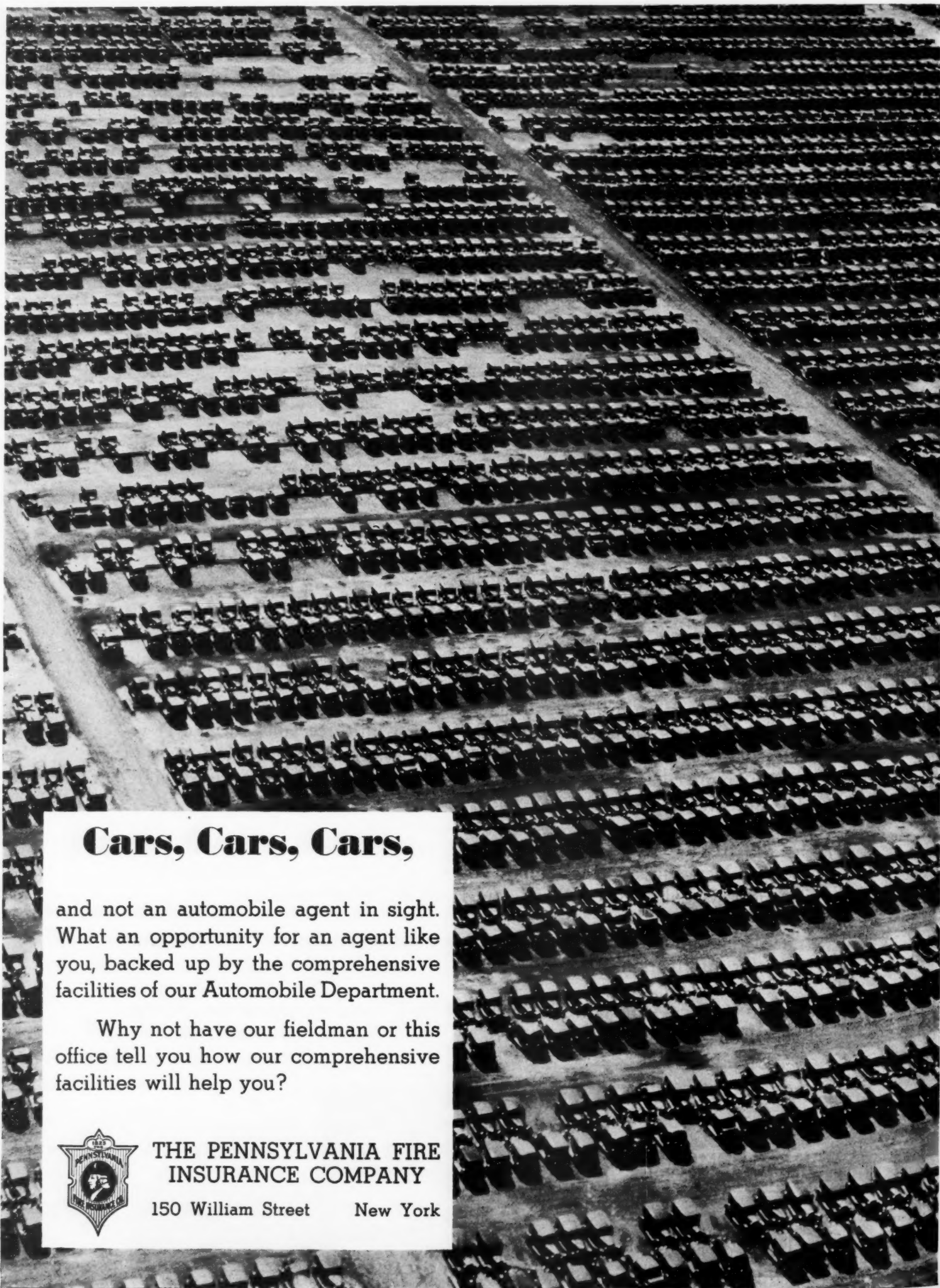


WESTERN DEPT.
ROCKFORD, ILLINOIS



PACIFIC DEPT.
SAN FRANCISCO, CALIF.





Cars, Cars, Cars,

and not an automobile agent in sight. What an opportunity for an agent like you, backed up by the comprehensive facilities of our Automobile Department.

Why not have our fieldman or this office tell you how our comprehensive facilities will help you?



**THE PENNSYLVANIA FIRE
INSURANCE COMPANY**

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Buyers' Attitude Is Constructive

Facing Complex Hazards, They
Are Disinclined to Belittle
Qualified Producers

BUT SEEK BROAD COVERS

More Interested in Getting Desired
Forms Than in Whittling at
Insurance Bill

Those who may have feared that the large insurance buyers represented in the American Management Association's insurance division might tend to use their increasing strength and unity to upset the insurance apple-cart would have been reassured at the association's annual insurance conference last week in Atlantic City.

There was nothing to indicate that insurance buyers feel that the insurance business as at present constituted has any functions which the buyer can afford to eliminate for the sake of a possible slight premium savings. The general attitude was that the insurance manager of a large plant finds it far more important to spend his time seeing that there is complete coverage where it is needed and in getting the best help available from experts in the insurance producing end rather than to concentrate on whittling a few dollars a year off the insurance bill. In fact, one buyer said that by making use of the services of a well qualified broker he had obtained broader coverage at lower cost than had his predecessors who dealt with the companies direct—and the companies were the same in both cases.

Making Demands Felt

However, along with this distinct trend away from viewing the broker and agent as useless parasites on the insurance body, it was very clear that insurance buyers are going to be increasingly insistent that the coverage they want shall be written so as to furnish the comprehensive protection desired and that the buyers are not going to be satisfied with a negative answer based on the attitude, "we have never done it that way before."

Prof. R. H. Blanchard of Columbia University's insurance department said that many policies labeled "comprehensive" and "all-risk" are actually not comprehensive at all, since they merely list a large number of hazards, whereas the real comprehensive policy insures everything and then makes any necessary exceptions so that the insured is not left without coverage in case something happens which was not in the list of hazards specifically insured against. Dr. Blanchard suggested that it would be easier for a company to obtain such a policy if its operations were not spread out among too many states, as

(CONTINUED ON PAGE 39)

Business Program Arranged For Commissioners' Meeting

GEORGE BOWLES TO PRESIDE

Mortensen of Wisconsin to Discuss
Retrospective Rating—Blackall to
Consider Compulsory Problem

OKLAHOMA CITY, June 2.—The business program announced by Secretary Jess G. Read, Oklahoma commissioner, for the annual convention of the National Association of Insurance Commissioners at Philadelphia, June 21-23, reserves the first morning for registration and the afternoon for committee meetings. At the second day's session Governor Earle of Pennsylvania, Mayor Wilson of Philadelphia and Commissioner Hunt of Pennsylvania will welcome the guests. Commissioner Mortensen of Wisconsin will present a paper on "Retrospective Rating." This will be followed by committee reports, general discussions, etc. The Wednesday morning session will open with a paper on "Compulsory Automobile Insurance or What?" by Commissioner Blackall of Connecticut to be immediately followed by discussions and committee reports. The afternoon will be reserved for executive session.

Because of the inability of President Ernest Palmer, Illinois superintendent, to attend, Vice-president George A. Bowles, Virginia commissioner, will preside, Mr. Read announced.

A fire fighting demonstration will be staged in Independence Hall for the commissioners' benefit. It will show fire fighting methods and apparatus used 150 years ago, 50 years ago and today.

Illinois Farm Agents' List

Program is announced for the annual meeting of the Illinois Association of Farm Insurance Agents to be held at the Jefferson hotel, Peoria, June 10. At the afternoon session, L. G. Warder, assistant western general agent of the Hartford Fire, superintendent of its farm department, will talk. Other features of the program are:

"Insuring the Farmer's Livestock," Joe E. Carlson, Rockford; "Farm Bureau Competition—How I Handle It," Felix Keeley, Wilmington; "Mutual Competition," Fred Stanton, Monmouth; "Farm Auto Insurance," C. A. Swarm, Decatur; "The Farm Application," Perry Keck, Fairbury; "The Country School House—How We Write It," G. P. Smith, Bloomington; "Business Development," O. G. Tradewell, Rantoul; "The Future of Farm Insurance," W. R. Bottorf, Macomb.

BULLETIN

SPRINGFIELD, ILL., June 2.—The Illinois code bill passed the lower house today by the smashing vote of 145-0. The senate concurred in the house amendments and the bill, after three years of deliberations, is now ready for the governor's signature.

Lloyds Threat in Texas Is Defeated by Associations

STRONG PROTEST EFFECTIVE

Exposition Officials Agree to Give
General Liability Lines to Dallas
Agency, Houston Company

DALLAS, June 2.—Strength of the Texas and Dallas agents' associations was demonstrated when the protests made to the Greater Texas and Pan-American Exposition resulted in Lloyds of London losing the general liability lines for the big fair. Announcement by the exposition officials early in May that all the liability lines would be given to Lloyds aroused a storm of letters and personal visits from local agents in every part of Texas. A committee consisting of T. P. Ellis, immediate past president Texas association; D. G. Foreman, Fort Worth, secretary state association; Paul Kirkpatrick and C. T. Smith, both of Dallas, was appointed to represent the agents in negotiating with the fair officials.

Public Interest Aroused

Agents made it plain that they were not trying to determine the agent nor the company that should get the lines but that they did not want the exposition, which opens June 12 in Dallas, to be responsible for bringing Lloyds into Texas to write insurance direct and cause a condition similar to that now existing in Illinois. Little headway was made until the Dallas "Times-Herald" and insurance journals started carrying stories about the proposed action and the protests from agents. The general public became interested and Dwight Sleeper, insurance adviser of the exposition, finally conferred with the committee and after ten days' negotiation agreed to give the coverage to the local agency of Andrews-McDowall Co., Dallas, to be written in the Houston Fire & Casualty and reinsured in such companies as the general agency of Cravens, Dargan & Co., Houston, might arrange.

Palmer Not Able to Preside Over Commissioners

Insurance Director Ernest Palmer of Illinois, who underwent an emergency operation for appendicitis in St. John's Hospital, Springfield, Ill., is now moving along in splendid shape. It was feared that infection had started inasmuch as there was a seepage from the appendix discovered at the time of the operation. However, this was soon held in check. It is certain now that Mr. Palmer, who is president of the National Association of Insurance Commissioners, will not be able to be in Philadelphia at the time of the meeting the week of June 21. George A. Bowles of Virginia is vice-president and because of Mr. Palmer's absence will preside.

Mr. Palmer will be in the hospital for three more weeks and as soon as he is able will go somewhere to recuperate.

Texas Body Over Thousand Figure

Annual Meeting of the State Local
Agents Association
Is Held

MORRIS IS PRESIDENT

Organization Took Very Definite Stand
on a Number of Issues Affecting
the Members

OFFICERS ELECTED

President—Joshua R. Morriss, Texarkana.
Vice-president—C. D. Molloy, Jacksonville.
Secretary—D. G. Foreman, Fort Worth.
New Directors—D. A. Clark, Sweetwater; F. C. Gittinger, San Antonio; K. C. Withers, Beaumont.

By FRED B. HUMPHREY

With a record breaking attendance of 726, the 40th annual convention of the Texas Association of Insurance Agents, at San Antonio last week asked that a special committee be appointed, empowered to work with the board of insurance commissioners toward the simplification and needful clarification of the automobile manual for use in Texas in connection with Senate Bill No. 77, giving authority to the board to make automobile rates. It voted that a special committee be appointed to study the laws of Texas providing for licensing and governing operations of all insurance organizations, which at the present time are inadequate, to the end that the statutes may be amended so that they may contain adequate and sound provisions governing the organization and operations of domestic organizations, and the entrance requirements and operations of such outside companies as may desire to do business in Texas.

It was recommended further that the association use every effort to secure the discontinuance of the practice of those insurance companies which, through their home offices, contract countrywide with mortgage companies for such coverages as are required on properties on which they have loans. It definitely and unalterably is opposed to the membership representing insurance organizations whose plan of operation is against the maintenance of sound practices and adequate rates, as such in the opinion of the agents leads to the destruction of the American agency system, and invariably in the end works injury to the public. It declared that the platform on which the organization stands, "Agents owe their allegiance only to companies whose loyalty to our principles for the preservation of the American agency system" is unquestioned.

Invocation was said by Right Rev. (CONTINUED ON PAGE 16)

Boston Board Turns Down Proposal of the Companies

DESIRES TO CONTINUE POWER

Members Fear That New York City
Officials Seek to Dominate the
Rating Organization

BOSTON, June 2.—The Boston Board at a special meeting by a vote of 30 to 17 refused to accept the plan of the Eastern Underwriters Association to merge with the New England Insurance Exchange and the Providence Board in a new organization to be known as the New England Fire Insurance Rating Association.

For many months there have been protracted meetings and discussions between a special Boston committee of the E. U. A., headed by Guy E. Beardsley of the Aetna Fire and a special committee of the board, headed by President W. C. Hill, over the proposition of the companies.

Opposition began with a reluctance to give up the identity of the Boston Board which has operated for 60 years. There was further opposition when it was found the mutual companies, of which there are a dozen in the membership of the local body, were to be kept out of the new organization. Many members felt its life and usefulness would be entirely eliminated if its rating power were to be taken away.

More Concessions Were Made

A concession was made to allow the board to continue, and retain its mutual members, but with the authority only as to commissions and enforcement of local agent and broker rules. This did not satisfy. More recently added concessions were suggested in the way of allowing the board to retain its corporation funds of \$25,000, and to have the E. U. A. lease from the board its schedules, rates, and other properties. Certain other amendments to the original charter would have provided for the exercise of power by the local board in approving the general manager and the appointment of regional committees.

The Boston Board committee, in making its report, reviewed the situation and submitted its report "without prejudice." There was nearly four hours discussion over the matter. Of the 70 members, 51 were present, four leaving before the vote was taken. Two-thirds majority of those present and voting was necessary to adopt the new plan.

Opposition to the idea of a central New England rating organization crystallized largely about the belief that the intended move was but the preliminary step to complete control of the local rating situation by company officials situated in New York City. The mutuals were opposed and non-union companies, also, while many presumed to be supporting the new plan were absent from the meeting. The vote cast against the plan, however, was sufficient, even if the full membership had been present, to defeat it.

The Providence Board has not yet voted on the proposition. It is understood that organization has been waiting the action of the Boston Board and the belief here is that the Rhode Island organization will follow in the footsteps of the Boston Board.

It has been stated to members of the Boston Board that the Eastern Underwriters Association will put the New England Fire Insurance Rating Association into effect regardless of the action of the Boston Board. However, the budget for the present year has been approved and it is not anticipated that anything along this line can be done until another year rolls around. The E. U. A. can, of course, refuse to appropriate funds for the support of the Boston organization another year and thus force the issue. There are many ramifications to such a drastic step, however.

Glimpses of General Agents at Work and Play in Denver

W. L. Braerton, who has a quiet sense of humor, staged a clever hoax at the annual meeting in Denver of the American Association of Insurance General Agents with the aid of an accomplice, J. K. Shepherd of Little Rock. Mr. Braerton, who was then in the presidential seat, in a matter of fact way, announced that the nominating committee would consist of L. E. English, Richmond; J. K. Shepherd, and B. P. Carter, Richmond. After a moment's silence, the members lifted their eyebrows because word had leaked out that Mr. English was destined to be elected president the next day and it scarcely seemed kosher for the prospective nominee to be a member of the nominating committee. Mr. Braerton didn't bat an eye. Mr. Shepherd arose and expressed objection to having two members of the committee from Richmond. By that time the audience was wise to the by-play. Mr. Braerton allowed that Mr. Shepherd's objection was well taken and he announced that Frank H. Duff of Dallas would be appointed in place of Mr. English.

It seems that Mr. English inspired the hoax. He told some of his friends of an experience some years ago at the annual meeting of the Virginia Field Club. He was slated to be elected president, but the wires were crossed and he was placed on the nominating committee. Of course that eliminated him. Mr. Braerton heard the story and arranged the hoax with Mr. Shepherd.

BANQUET AND DANCE

The banquet and dance Monday was a gay affair. Mr. Braerton presided. He introduced some of the notables, including Commissioners Cochrane of Colorado and Ham, Wyoming. William Quaid, vice-president of the Home,

was the speaker. With due regard for the spirit of the evening, he performed with a light touch, and spoke seriously for only a few moments.

Mr. Quaid contended the job of running an insurance company is more difficult in times of prosperity than in times of depression. The public has become convinced by its record that insurance is good, he declared, and the individual in the business must assume the responsibility of holding insurance to its responsibility.

The speaker observed that committees are worshipped in the insurance business. That dependence upon committee action, he declared, tends to dim the sense of individual responsibility.

With increasing tax rates and forms, according to Mr. Quaid, anyone with property will be put to it to preserve values and he will turn more to insurance for protection. Insurance, he declared, will be summoned to preserve present and future values.

J. H. Hines of Hines Bros., Atlanta, southern managers Crum & Forster, and Mrs. Hines arrived after having motored 560 miles in a day from Salt Lake City.

They are on their way back to Atlanta from a vacation trip to the coast. They had driven 8,000 miles by the time they reached Denver.

H. E. Soward, executive special agent in the America Fore general cover department in Chicago, made the trip to Denver.

Much amusement was caused by an error of the Denver "Post" in captioning a group of four of the convention speakers. In the caption the names of

(CONTINUED ON PAGE 38)

Payment of \$450,000 Made to Companies in Old Suit

FIRE WAS ON SEPT. 14, 1929

Warner-Quinlan Corporation Settles
Judgment Obtained in Subrogation
Action by 14 Carriers

Trustees of Warner-Quinlan Company which is being reorganized under Section 77B of the federal bankruptcy act have paid \$450,000 to 14 fire companies and two oil corporations to settle liability for fire caused by a drifting barge in September, 1929. The action in subrogation, fought through two New Jersey and several federal courts, has been delayed due to the bankruptcy proceedings.

Corporations bringing suit against Warner-Quinlan were the Aetna Fire, Fire Association, Fireman's Fund, Fidelity-Phenix, Hartford Fire, Importers & Exporters, Globe & Rutgers, Niagara, North River, Norwich Union, Pennsylvania Fire, Phoenix of London, St. Paul Fire & Marine and the Public Fire, now in liquidation. Joined with the insurance companies were the Standard Oil Company of New Jersey and the Swan-Finch Oil Corporation.

Suit Was Hard Fought

After Warner-Quinlan lost the suit, for \$400,000, in Essex County circuit court, New Jersey, in October, 1933, and lost again on appeal to the state errors and appeals court, limitation proceedings were started in federal admiralty court. These were lost as were appeals to the appellate court and Supreme Court, which denied a writ of certiorari in October, 1935. The plaintiffs could not execute their judgment however, since the company filed under 77B and finally, during hearings on reorganization, permission was secured to borrow \$450,000 on trustees' certificates.

The events occurred Sept. 13-14, 1929, when a barge loaded with Texas crude oil at the Warner-Quinlan dock on Staten Island Sound, caught fire during a storm. The night superintendent cut the hawsers and was able to shove the craft adrift. A tug pushed the barge to some flats, but the tide pulled it into deep water and it finally lodged against the dock and plant of the Standard Oil, which was leased by Swan-Finch. The fire companies were on this risk which became a \$400,000 loss.

Maryland Agents' First Annual Parley June 11-12

ANNAPOLIS, MD., June 2.—The first annual convention of the Maryland Association of Insurance Agents will be held in Ocean City, Md., June 11-12. Charles H. Roloson, president Central Fire of Baltimore, representing the fire companies, will speak on "Price Competition." C. J. Fitzpatrick, vice-president U. S. F. & G., representing casualty; W. S. Hanna, insurance commissioner; Carlisle H. Hill, representing the middle department, will all speak. The banquet will be the evening of June 11. Fishing, boating and golf will be indulged in Saturday. Maryland-Delaware Field Men's Association is meeting there concurrently. The committee on arrangements is headed by Avery Hall of Salisbury, who is regional vice-president of the association for the eastern shore. This is expected to be the largest meeting of producing forces ever held in Maryland. E. Churchill Murray is president.

North Dakota Federation to Meet

The Insurance Federation of North Dakota will meet June 10 at Fargo. The business development program will be discussed.

THE WEEK IN INSURANCE

Big insurance buyers display constructive attitude toward producer but are determined to get carriers to issue types of coverage they want. **Page 3**

Annual meeting of the Texas Association of Insurance Agents was held at San Antonio. **Page 3**

Texas exposition liability business will not go to Lloyds, following agents' protest. **Page 3**

Papers by Commissioner Mortensen of Wisconsin and Commissioner Blackall of Connecticut mark business program of the National Association of Insurance Commissioners in Philadelphia. **Page 3**

Paul Sommers, president of the American, is elected president of the National Board at its annual meeting. **Page 5**

Boston Board turns down the plan of the Eastern Underwriters Association to merge the local body into the New England Fire Insurance Rating Association. **Page 4**

That the insurance problem today is one of distribution and merchandising was the contention of H. C. Conick, assistant U. S. manager Royal-Liverpool, in address before annual meeting of general agents' association. **Page 5**

F. R. Millard, former secretary of the America Fore companies and head of their loss department, died in Hollywood. **Page 9**

R. W. Forsyth of Anita, Ia., becomes chairman of the rural and farm agents' committee of the National Association of Insurance Agents, succeeding F. T. Priest of Wichita. **Page 5**

Much interest is taken in the promotion of the Service Men's Protective Association. **Page 12**

John M. Cogley, well known general agent at Sioux Falls, S. D., is dead. **Page 7**

Research program as to best methods of selecting agents undertaken by Health & Accident Underwriters Conference. **Page 21**

Features are announced for the annual meeting of the Illinois Association of Farm Insurance Agents. **Page 3**

Judgment finally paid by Warner-Quinlan Company in old subrogation suit. **Page 4**

The first automobile fire insurance policy in this country was written June 2, 1902, 35 years ago. **Page 13**

General Manager T. C. McCurdy of the Fire Companies Adjustment Bureau in Texas announces changes from its mandatory group public liability automobile policies. **Page 12**

Wild disorder prevails in Massachusetts house when friends of Commissioner DeCelles charge that the investigation of Commonwealth Mutual Liability was a plot to discredit the commissioner. **Page 21**

Michigan occupational disease bill passes. **Page 23**

Rules and rates governing business under the Indiana occupational disease law have now been determined. **Page 26**

Central Mutual Auto of Detroit must "show cause" June 4 why a receiver should not be appointed. **Page 25**

W. H. Menn of Los Angeles and F. S. Dauwalter of New York City will speak before the Idaho, Washington and Oregon agents. **Page 32**

President Roosevelt has sent the Brussels collision convention to the United States Senate for ratification, it being a surprise to marine underwriters. **Page 37**

Insurance Problem Today Is One of Merchandising

JOB OF SALESMANSHIP AHEAD

**H. C. Conick Makes Hit in Address
Before General Agents Annual
Meeting in Denver**

H. C. Conick, assistant U. S. manager of the Royal-Liverpool groups, who is sales minded from tip to toe, made a big hit in his appearance at the annual meeting of the American Association of Insurance General Agents at Denver. He made a scheduled talk one day and the next day contributed some interesting ideas in the period devoted to informal discussion.

Mr. Conick recalled that in 1915 the late Henry Evans, head of the Continental, predicted that before long the bulk of the fire insurance business would be done by 15 companies. Mr. Conick contended that Mr. Evans' prediction had come true. In 1936, 20 company groups wrote \$650,000,000 fire premiums which constituted 80 percent of the total income of all companies. When Mr. Evans made his prediction, there were some 400 companies in the field. Most of them have now been absorbed. Today there are very few local companies. He declared that the general agent performs the function that was formerly performed by a local company. The general agent, he said, has a unique position. He is giving service in a territory with which he is intimately acquainted. He has an organization in the field. Agents can get service from him that they cannot get from company headquarters thousands of miles away.

Distribution and Merchandising

The insurance problem, according to Mr. Conick, is one of distribution and merchandising. The local agent has 168 lines of insurance on his shelf. The job for the company and general agent is to educate the agent to sell the merchandise that he has in stock.

Mr. Conick observed that in 1929, the peak year, premium income of the fire companies was about \$1,000,000,000. The low point was in 1932 when the volume was \$600,000,000. It increased since then and in 1936 the writings were \$750,000,000.

Liabilities and Rates

Due to the rate cuts, liabilities in 1936 reached almost the 1929 peak and perhaps even surpassed the amount at risk in that year if the supplemental contract is taken into consideration. Mr. Conick said that a big job of salesmanship is ahead. He observed the dividends and earnings of industry today are increasing. Clouds of smoke can now be seen from industrial stacks. That means there is a great opportunity for the sale of U. & O., but he complained that this line is not being promoted as it should be. He said that recently he caused an important, progressive agent in an industrial city to analyze the first one thousand risks on his books. He discovered that only three had U. & O. or extra expense coverage. The Royal, he said, about a year ago took off every U. & O. expiration for the previous six years. The management was surprised at the small volume on the books and was determined to promote its sale.

The field men, he said, must be inspired to push all of the contracts. The fire business is changing, he said. For instance last year inland marine premiums amounted to \$50,000,000. The marine contract, he observed, is flexible. It can be put to uses that the fire contract, hedged about by state regulations, cannot do. The field men must be made to know and to sell broad forms of cover. Last year, he pointed out, automobile premiums of all kinds amounted to \$385,000,000, and the field man must see that he is getting his share of that line. The agent should be educated to look upon his office as a de-

(CONTINUED ON LAST PAGE)

New President in Texas Comes from Border City



JOSHUA R. MORRISS, Texarkana

J. R. Morriss, new president Texas Association of Insurance Agents, is a member of the well known firm of F. W. Offenhauser & Co. of Texarkana. That is the largest agency in the city. It was established in 1882. The late F. W. Offenhauser, head of the agency, was one of the old time presidents of the National Association of Insurance Agents.

Connecticut Senate Turns Down J. S. Kemper Proposal

The Connecticut senate by a vote of 32 to 3 rejected the enabling act for a charter of the proposed American Manufacturers, a company that was being promoted by the James S. Kemper mutual group of Chicago. This was intended to be a stock company writing a participating policy. Before the insurance committee there was a battery of opposition directed against the proposed company by the Hartford companies. Mr. Kemper states that he is now proceeding to incorporate the company in another state. The taxes, he declared, will be less and the operating costs lower in the new state. The understanding is he will seek a Massachusetts charter.

The Kemper group now consists of one stock casualty company, one mutual casualty company, and three mutual fire companies. American Motorists of Chicago is the stock casualty company; Lumbermen's Mutual Casualty of Chicago, the mutual casualty company; National Retailers Mutual of Chicago, Glen Cove Mutual of New York, and Federal Mutual of Boston are the three mutual fire companies.

Philadelphia Pier Loss

Preliminary survey indicates that pier 12 at the foot of Somers St., Philadelphia, burned May 30, is totally destroyed. The property owned by the Baltimore & Ohio railroad, is insured for \$200,000 in the Railroad Insurance Association. In addition the railway carries \$100,000 common carrier liability on goods in transit, its legal responsibility for which will be governed by the arrangement had with the shippers. The general run of property of the B. & O. is insured in its own sinking fund, the business placed with insurance companies covering specifically on peak risks.

Honored for Long Service

In recognition of 25 years of continuous service as an agent of the Rochester American, P. A. Eubank, Ensley, Ala., was presented a silver pitcher by J. L. Dorris, Alabama special agent.

National Board Goes Into Its 72nd Year With Vigor

Members of the National Board at the largely attended annual meeting in New York elected Paul B. Sommers, president of the American of Newark, president; Frank D. Layton, president National Fire, vice-president; reelected Summer Ballard, president International, secretary; B. M. Culver, president America Fore, treasurer; W. E. Mallalieu, general manager, and C. H. Lum, assistant general manager with direct charge of the Pacific Coast division.

The following were chosen to membership on the executive committee for three years to replace the five members whose term had expired; Joy Lichtenstein, Pacific Coast manager Hartford Fire, San Francisco; R. R. Martin, United States manager Atlas; F. M. Smalley, president Glens Falls; J. F. Williams, vice-president Camden Fire, and F. A. Gantert, president Fidelity & Guaranty. Continuing members are: F. B. Luce, vice-president Providence Washington; J. R. Cooney, president Firemen's of Newark; J. H. Vreeland, United States manager Scottish Union; Gustavus Remak, Jr., president State of Pennsylvania; E. W. Nourse, United States manager London; C. V. Meserole, president Pacific Fire; Montgomery Clark, president Hanover; J. Lester Parsons, president United States Fire; G. C. Long, Jr., president Phoenix of Hartford, and Gilbert Kingan, United States manager London & Lancashire.

To Name Chairman Later

The executive committee selects its own chairman, and this will be done at its organization meeting later this month. Col. Layton was chairman the past year, the post proving as is generally the case, the stepping stone to the vice-presidency, and later to the presidency.

The address of the president was the feature of the gathering. The members listened with close interest to the review of conditions and the recommendations of President F. W. Koeckert, who is U. S. manager Commercial Union. They recorded their endorsement of the message by adopting the resolution offered by Vice-President Esmond Ewing of the Travelers Fire, that the address be printed and widely circulated among business organizations, municipal officers and the press. The address clearly demonstrated the thoroughness with which Mr. Koeckert had delved into economic as well as underwriting matters.

Reports were offered by the standing committees reciting the accomplishments during the past 12 months and outlining plans for the future.

The election of officers concluded the business of the meeting, and the National Board thereupon entered its 72nd year better organized than ever before and with the determination to carry on to still greater fields of usefulness. The "National Board Day" dinner, now a recognized feature of the occasion, was held at the Hotel Pierre, the guest speaker being H. H. Heimann, executive manager of the National Retail Credit Men's Association.

Membership Is the Same

The membership of the board remains the same as a year ago, the single company retirement having been replaced by a new entrant.

Though the elevation of Mr. Sommers to the presidency has been fully anticipated, he having previously been vice-president, his formal election was none the less gratifying. He is one of the most popular as well as one of the youngest men to head a great insurance company. Incidentally, the American had the distinction of being the first, and thus far the only, New Jersey company to supply a National Board president. C. Weston Bailey, then president of the

American and now chairman of its board, served as head of the National Board in 1932 and again in 1933.

Mr. Bailey while actively directing the affairs of the American always selected with care youthful assistants, men who possessed the ability to carry on, and the talent of the executive staff today reflects the sureness of his judgment. From a local agency in Cleveland to the presidency of the American and to the premier post in the realm of fire underwriting, the president of the National Board, is the distance Mr. Sommers has traveled within a comparatively few years.

Younger Members Active

Those who have followed National Board meetings are impressed by the number of younger men now prominent in its councils. There is still a sprinkling of elder statesmen, but in the main the high posts in the board are occupied by younger men.

The remarks of Mr. Ewing in voicing appreciation of the address of President Koeckert were couched in the poetic language of the southerner.

Former National Board presidents in attendance included G. G. Bulkley, president Springfield Fire & Marine; W. H. Koop, president Great American, and James Wyper, vice-president Hartford.

The west coast was represented by Ray Decker, Pacific Coast manager Royal-Liverpool; William Deans, Selbach & Deans; J. C. Bunyan, coast manager Commercial Union, and H. F.

(CONTINUED ON PAGE 27)

Now Heads Committee on Rural and Farm Agents



R. W. FORSHAY, Anita, Ia.

R. W. Forshay of Anita, Ia., has accepted the chairmanship of the rural and farm agents' committee of the National Association of Insurance Agents, following the resignation of F. T. Priest, of Wichita, Kan. Mr. Forshay plans forming four territorial underwriting organizations to carry out the work of the committee, the title of which was changed at his suggestion to include the word "rural," as more particularly defining the scope of its work. A. B. Dunbar, Omaha, is the second member of the committee, the third member to be selected later. The two named have the situation well in hand, counseled as they will be from time to time by Mr. Priest, whose resignation was forced through the demands of his agency and a second attack of influenza.

CAMERA REPORT OF GENERAL AGENTS CONVENTION



1. F. R. Lanagan, Daly general agency, Denver, and Lee Simonton, Braerton, Simonton, Brown, Denver.
2. Raymond Stebbins, Stebbins Insurance Agency, Denver.
3. J. O. Smith, Trezevant & Cochran, Dallas, and Stewart Scruggs, Gross R. Scruggs & Co., Dallas.
4. L. E. English, Richmond, Va.; Mrs. Charles F. Cashman, Denver; J. R. Dumont, manager I. U. B., New York; Mrs. English, and Mr. Cashman.
5. L. B. Daniels, Seeley & Co., San Francisco; Leslie C. Stire, state agent New Hampshire Fire, Denver, and F. H. Duff, Floyd West & Co., Dallas.
6. Clarence Cobb, Cobb & Stebbins, Denver.
7. Leonard Brown, Braerton, Simonton, Brown, Denver, and L. C. Steinman, special agent London Assurance, Denver.
8. A. F. Soucheray, Jr., vice-president First Bancredit Corporation, and J. R. Gardner, president Merchants Fire of Denver.

9. B. P. Carter, Gordon, Brown & Carter, Richmond; C. F. Cashman, Denver, and Mrs. L. E. English, Richmond.
10. W. J. Kulp, manager Mountain States Inspection Bureau, Denver, and Frederic Williams, secretary Rocky Mountain Fire Underwriters Association, Denver.
11. H. G. Casper, U. S. manager Eagle Star, New York, and Frank H. Newman, assistant U. S. manager General of Paris, New York.
12. Reed Penington, Denver.
13. William Quaid, vice-president Home, New York, and C. V. Davis, Sheridan, Wyoming.
14. William Studebaker, Miller, Studebaker general agency, Topeka, and H. D. Haupt, reinsurance operator, San Francisco.
15. J. R. Dumont, New York, and J. K. Morrison, Omaha.
16. Langdon C. Quin, Atlanta, and Mrs. B. P. Carter, Richmond.

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Reflections Upon New York Agents Parley in Syracuse

By RALPH E. RICHMAN

Three hands went up among the hundreds in the convention hall at Syracuse when those attending the annual meeting of the New York State Association of Local Agents were asked how many had knowledge of the Dauwalter formula.

It was just a year ago that F. S. Dauwalter announced his formula at the Syracuse convention. In the last year nearly all prominent agents in the state have received the book distributed by the Business Development Office and have acknowledged receiving it but only three knew of the formula. That indicates that intense organization and educational effort will have to be exerted to get the B. D. O. message across.

At the Syracuse convention there was a realistic approach to the problems confronting agents. No time was used by the agents in tirades or in expressions of resentment against movements which threaten to deprive them of business. They came forward, facing the facts and putting the stress upon possible constructive substitutes. The only romanticist on the program was a college professor and not the one who told how to make effective use of voice and body in selling. A speech which merely tickles the prejudices of the hearers is likely to lose their esteem. But one speaker at the convention did it and he was not on the business program.

Diversification Emphasized

From the agents' viewpoint the insistent overtone of the Syracuse convention was the warning to the agent to diversify his business. The agent who depends upon automobile insurance only or to a great extent upon automobile insurance is treading a very dangerous path. While no one at the convention said this in so many words, many addresses and discussions were saying it to the agents who looked beyond the immediate words.

In many ways the Syracuse convention was the best yet held by the New York agents. It was the best attended. Those who came to the business sessions were rewarded by interesting and well prepared reports and addresses. There was still the usual overcrowding of the program, leaving no time for the give and take of discussion which frequently brings out the most helpful points as well as providing the greatest stimulation.

The latest organization of a local board in New York state took place recently when the Washington County Agents Association began operations after a lapse of several years. Raymond N. Jerett of the Locke agency, Hudson Falls, is president.

Home Office Greeters

Home office greeters at Syracuse included R. C. Alton, C. A. Collin, C. B. Roulet, for the National of Hartford; A. C. Wallace, Agricultural; Fred Stine, Glens Falls; A. L. Wolfe, R. J. Wilkes, E. R. Voorhis, O. T. Simmons, F. E. Jenkins, J. H. Glinsman, for the Royal Liverpool; C. Arthur Borg, Arthur J. Devine, Howard S. Poole, Jesse Teese, R. F. Van Vranken, T. W. Williams for the Home; John G. Yost, Guy C. Conway, for the Fidelity & Deposit; W. E. Boyd, Travelers; L. P. Brown, Frank Ennis, Frank E. O'Brien, Hugh A. Shelton for the America Fore.

Others were: Spencer Welton, Massachusetts Bonding; Charles Vooris, Yorkshire; E. H. Ulrich, Pacific; William J. Traynor, E. A. Merkl, William H. Gilchrist for the North British & Mercantile; William M. Carlson, Pearl; A. H. Clevenger, Fire Association; C. A. Tillotson, London & Lancashire; E. I. Smith and Harry N. Smith, Automobile.

bile; C. C. Schmelz, American Home Fire; George W. Roberts, Springfield; J. A. Rizey, James E. Hitchcock, North America; Charles M. Close, Great American; W. H. Riley, American Surety; James A. Corroon, Corroon & Reynolds; F. W. Doremus, American; Edward P. Folley, Crum & Forster; R. G. Ganner, Harry Joyce, Walter Meiss, Charles Penna, London Assurance; J. H. Perry, Globe & Rutgers; Harry F. Ogden, J. W. Lee, U. S. F. & G.; C. W. G. Baily, Ocean; J. L. Ivison, Boston; Robert F. Kean, Harry F. Legg, Charles C. Hannah, Fireman's Fund; John F. Laikert, Northern of New York; Fred L. Mason, Century; J. A. Mullen, Standard Accident and E. H. O'Connor, United States Casualty.

Harmony in delectable doses was provided at the banquet by the Syracuse University Alumni Glee Club which is directed by Al Dieseroth, insurance manager of the Bruns agency. The quality

of this Glee Club's singing recently got it a place on a national radio hook-up on the same program with tenor Richard Bonelli. Another insurance member of the club is P. D. Fogg, fire manager for the Travelers in Syracuse.

Frank Brodie, Waterbury, chairman of the New England advisory committee, and one of the handsomest insurance men in the country, represented that neighboring organization.

Leonard L. Saunders, executive secretary, Insurance Federation of New York, reported that many counties in the state were considering working out a plan to handle their own bonding requirements. He said that 32 counties are already self-insurers in the field of workmen's compensation.

Nurses of the state were holding a convention in Syracuse at the same time that the agents were there. Dancers reported plenty of available partners wherever the orchestras played.

Seeks to Annul Pearl Deal

A petition to the Montana supreme court seeks to set aside the contract made by the state authorities with the Pearl for reinsuring 100 percent the state fund upon the ground that the act under which the state fund was created has now been repealed.

Prominent South Dakota General Agent Is Dead

SIOUX FALLS, S. D., June 2.—John M. Cogley, 43, prominent in South Dakota Democratic circles and head of a general insurance agency here, died

from a heart attack. Born at Flandreau, S. D., June 15, 1893, Mr. Cogley entered insurance work after his parents had moved to Sioux Falls. He opened his own agency here Feb. 22, 1928, under the name of John M. Cogley, Inc. He also operated a finance company. Surviving are his widow and two daughters.



J. M. COGLEY

He was prominent in the American Association of Insurance General Agents. His office was general agent of the Albany, American Alliance, Atlas, Carolina, County Fire, Federal Union,

THE REINSURANCE CORPORATION

OF NEW YORK

122 EAST 42nd STREET • NEW YORK, N. Y.

CAPITAL	\$1,530,000.00
SURPLUS	7,470,583.61
LIABILITIES	43,373.21
TOTAL ADMITTED ASSETS	\$9,043,956.82

On basis of Statement, March 31, 1937,
to the New York Insurance Department

This Corporation provides for the insurance companies operating in the United States an American market for reinsurance of the following classes:

FIRE	TORNADO	AUTOMOBILE	ALLIED LINES
on the Excess of Loss basis			
INLAND MARINE			
Excess of Loss—Quota Share—Facultative			

UNDERWRITING MANAGER

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Mr. Cogley entered insurance in 1915 as special agent for the Queen City Fire of Sioux Falls, traveling in North and South Dakota. In 1916 he became special agent of the Hartford Fire in South Dakota and later state agent. The Hartford gained remarkably in business in the state during his regime. He was very active in the American Legion. He was a native of South Dakota and had spent his entire life in the state. He attended the University of Wisconsin. He was born at Flandreau, S. D., June 15, 1893. He was a charter member of the Dakota Blue Goose.

Worked Until End

Mr. Cogley was active in his office until the close of business Wednesday night when he was taken to the hospital suffering from a heart condition. He served on the South Dakota board of charities and corrections, and was chairman of the state athletic commission. He was an active participant himself in athletics during his high school and college days and kept up his enthusiasm to the end. He was active in Democratic politics and participated in many movements of the party.

Texas Convention Jottings

There were an exceptional number of open houses at the annual meeting of the Texas agents at San Antonio. The Commercial Standard entertained, with President A. Morgan Duke, Vice president J. R. Plummer, Vice president W. B. Todd, Agency Superintendent H. H. Igel, and Special Agents W. G. Woosley, Frank Brackney and Homer Schninsher, acting as hosts.

W. B. Gracey, manager of the Dallas office of the Aetna Casualty & Surety, together with Irving Schweppe, manager of the southern marine department, and Special Agent G. M. O'Brien acted as hosts at their headquarters.

Dispensers of Hospitality

At the Travelers' headquarters the following were in charge: Manager W. S. Clark, of Dallas, assistant manager A. J. Gallagher, Dallas; B. E. Greenhill, special agent, Dallas; H. F. Danvers, assistant manager, Houston, and R. E. Leiper, manager fire department, Houston.

President Pillet of the Republic Fire, Dallas, with Secretary Crawford and other officials, acted as its hosts.

M. D. George, E. A. Tape and F. T.

Anderson held forth at the headquarters of the American Surety.

Among others holding open house were T. A. Manning & Son, Dallas; Texas General Agency, San Antonio; General Agent D. D. McLarry, Home; Royal-Liverpool group and the Firemen's group.

Lytle Gosling of San Antonio was chairman of the nominating committee; Cruger T. Smith of Dallas, chairman resolutions committee, and F. C. Paul, Corsicana, chairman auditing committee.

The holdover directors are Overton Abernathy, Wichita Falls; B. A. Calhoun, Houston; Tom P. Ellis, Dallas; Tom S. Gillis, Fort Worth; C. D. Molloy, Jacksonville, and Josh Morriss, Texarkana.

The convention attendance prizes, consisting of a traveling case and two portfolios, were won by E. L. Allen, Houston; Scott Galbreath, Paris, and Oscar Finlay, special agent Crum & Forster.

A. R. Andrews, Dallas, who was in attendance, has been at every convention since 1910. Ed. A. Polk, Corsicana, and

W. L. Stiles, San Antonio, the only two living charter members, were present. Both are ex-presidents.

Luck seems to head toward Dallas people, for the three prizes at the dinner dance were all secured by Dallas residents—Mrs. John Crawford, Hal Gullledge and Mrs. D. D. McCain.

Every detail of both the convention itself and the entertainment features went off to perfection. Especial credit should be given to Secretary D. G. Foreman of Fort Worth; Lytle W. Gosling, San Antonio, general chairman; C. F. Dieter, vice-chairman; F. F. Ludolph, secretary, and F. C. Gittinger, chairman of the entertainment committee, all of San Antonio.

On both Thursday and Friday all attending were guests at lunch of the San Antonio Insurance Exchange.

Friday evening a dinner was served followed by a floor show and dance. The floor show was a Mexican review.

Special entertainment was given the visiting ladies, including a style show, at which each of the ladies was presented with a beautiful beaded bag.

After the convention closed Friday noon the golfers adjourned to the San Antonio Country Club for lunch and a golf tournament.

The printed convention program was given by the Fire Companies Adjustment Bureau.

Instead of holding open house Frank Rimmer, general agent at Dallas and Houston, gave an attractive bill fold to each conventioneer.

Fire Safety in Homes

In its May issue, "McCall's Magazine" publishes an article by John J. McElligott, fire commissioner and chief of fire department of New York on what to do "If Your House Is Burning." Chief McElligott very clearly emphasizes the fact that most fatalities result from the victim's lack of knowing what to do from the start of fires.

Most frequent causes of fire deaths are: frenzy—jumping from an upper story before receiving the firemen's assent; drafts—opening doors and windows where unnecessary; and going back into the fire, to get some possession whose value is either real or fancied.

Commissioner McElligott states that, a week before he wrote his article for "McCall's Magazine," 3,000 students marched in perfect order from a blazing school in less than three minutes. The answer seems to be that if periodic drills can safely evacuate 3,000 children from a burning school building, they should enable a family of five to escape from a two or three story house even in the face of belated discovery, he said.

Cooperatives Seek Companies

Some interesting situations are reported to have developed in connection with the insurance arrangements that are being effected by the various consumer cooperative organizations. For instance, there have been negotiations between some of the cooperatives and some of the mutual insurance companies with the idea that cooperatives would set up insurance agencies and represent these mutual companies. However, some of the negotiations have fallen through because the cooperatives demanded that the mutuals divest themselves of certain securities in their portfolio. These mutuals, for example, had invested in securities of certain utility companies and the cooperatives, being opposed to private operation of public utilities, demanded that the mutual companies remove these investments from their list. So far as could be learned, the mutuals have not capitulated.

The Roosevelt Realty Co. is a new Seattle insurance and real estate firm established by E. C. Wedekind and Frank Pitts.

Give them "Their Money's Worth" ... and watch your business improve!

Many assured believe that the premium they pay covers only the protection they receive, whereas about one-fifth, or more, of it is for advice and counsel from the Agent—whether or not they receive it.

The alert Agent is increasing his business by offering property-owners full value for their premium dollars. One thing which appeals to many is the purely informative approach, whereby the Agent renders expert insurance analysis without fee or obligation.

Needless to say, if done properly, it cements present customers and attracts new ones. We have learned how to do it effectively, and offer to pass on this information and material to any of our present Agents—or prospective Agents.

THE AMERICAN GROUP, NEWARK, N. J.

THE AMERICAN

Fire Companies
THE COLUMBIA

THE DIXIE

VIEWED FROM NEW YORK

By GEORGE A. WATSON

A. E. GILBERT ON TOUR

Following attendance at the annual meeting of the Southeastern Underwriters Association at Hot Springs, Va., A. E. Gilbert, vice-president of the Hanover Fire, will return to New York for the meeting of the directors. Shortly thereafter he plans a ten days trip to Arkansas during which he will make a close range survey of underwriting conditions with a view to the possible entry of his company into the state.

* * *

AWARD INSURANCE SOCIETY PRIZES

E. T. Williams, general cover department of the North America, won the Waldemar J. Nichols prize of the Insurance Society of New York, with F. C. Lawton, Eagle Star, getting honorable mention. W. A. Rickafellow, Home; H. N. Nead and J. H. Wetzel, Home, took respectively first, second and third places in the aviation insurance awards, with W. A. Lieder, Chubb & Son, being given honorable mention.

The latter awards were given by Associated Aviation Underwriters, Marine Office of America and Chubb & Son.

* * *

REINSURANCE AND N. Y. TAX

Premiums on New York risks received by the Sea under a reinsurance contract executed in New Jersey are not subject to a franchise tax in New York, the court of appeals of that state has held.

Chubb & Son, general agents for the Sea, Federal and Hartford Fire and a number of other companies, executed in New Jersey a reinsurance agreement whereunder each company in the office agreed to reinsure a certain percentage of any line taken by one of the companies.

The tax commission contended that Sea was doing a marine reinsurance business in New York because of its reinsurance agreement.

The court held that if separate reinsurance contracts had been entered into between the Hartford and Federal and the Sea in New Jersey, the Sea would not be subject to the tax. The court concluded that the fact that the reinsurance was assumed by one contract made in advance in New Jersey instead of by separate reinsurance contracts entered into for each original risk does not change the rule of law applicable.

* * *

VETOES SPRINKLER BILL

Governor Lehman of New York has vetoed the bill permitting use of sprinkler systems in stairways and public halls of "old" New York City tenements. He was advised to do so by the mayor and city fire chief of New York. Mayor LaGuardia said the bill conflicted with the city charter in which the fire department is charged with the exclusive duty of inspecting and maintaining such systems. However, Governor Lehman signed the bill creating a revolving fund from which New York City officials can repair tenement houses.

* * *

DEATH OF F. R. MILLARD

Frank R. Millard, 92, secretary of the fire companies in the America Fore group, and a director of the American Eagle, died at his home in Hollywood, Cal., May 30. A native of Olean, N. Y., where he was born in 1844, Mr. Millard after finishing at college secured his first position with the American Express Co. His connection with the Continental began at its Chicago office in 1870. Ten years later he was appointed special agent in Michigan, serving five years, when he was named special adjuster in four middle western states, holding the post for 10 years, when he was further advanced to the management of the Continental's loss division at Chicago. His next promotion, 11 years thereafter, was to the head office of the company in New York City, be-

ing designated secretary in charge of claims. In appreciation of his 54 years continuous service with the America Fore group, directors in 1924 voted Mr. Millard an indefinite leave of absence. He made his home thereafter in Hollywood.

During his active years in business, Mr. Millard's intimate knowledge of insurance contracts and his clear thinking,

analytical mind, made him one of the courts of last resort in fire insurance. His opinions commanded the respect of all and his definite, unmistakable way of expressing them assured them the attention they deserved. He was a master of loss work. His knowledge of the intricacies of use and occupancy, rent and leasehold insurance was second to none and his opinion was sought from all sides in solving the puzzling questions which arose in connection with these covers. He is survived by his widow. Funeral services occurred at Hollywood June 1, interment to be in Ashtabula, Ohio, June 5. Secretary Ver-

non Hall, in charge of the home office loss department, and Automobile Loss Manager Roland Huyler, from the home office, will attend the burial services in Ohio.

* * *

ADJUSTMENT BUREAU REELECTS

All officers were reelected at the annual meeting of stockholders of the Fire Companies Adjustment Bureau and the directors in turn reelected all officers. Paul L. Haid is president; Harold Warner, U. S. manager Royal-Liverpool, is vice-president; W. E. Hill is secretary, and N. B. Bassett is treasurer.

Mr. Haid reported that the affairs of



*They Seek Your Advice
on Fire Protection . . .*

MAKE IT COMPLETE!

The clients and prospects who seek your advice on fire protection want more than adequate coverage and prompt payment of claims. Add Grinnell Protection, to guard their irreplaceable records and drawings, their income, their business good will!

You can suggest Grinnell Automatic Sprinkler Fire Protection to a prospect or client with the sure knowledge that tireless research has proved it effective. That engineering will install the right equipment correctly, with the benefit of experience to prevent disruption to business. That routine or emergency service will be rendered from the nearest of Grinnell's thirty-four strategically-located offices. And that back of it is the responsibility of protecting more than fifty billion dollars worth of property from fire.

Recommend a Grinnell installation to gain the respect of prospective clients—or to better serve your present policyholders. The Seven Standards will prove the soundness of your choice. Grinnell Company, Inc., Executive Offices, Providence, R. I., Branch offices in principal cities.



GRINNELL
AUTOMATIC SPRINKLER FIRE PROTECTION

**STANDARDS OF
SUPERIORITY
OF
GRINNELL FIRE PROTECTION**

Research—since 1864, to provide efficient equipment.

Engineering—in layout and products, for complete protection.

Diversification—a wide line of equipment, correct for every need.

Quality—every piece of Grinnell equipment is our unstinting best.

Installation—men trained to install with minimum disruption.

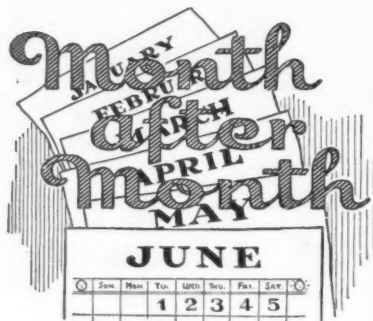
Responsibility—over fifty billion dollars' worth of the world's property protected by Grinnell.

Accessibility—thirty-four offices for routine or emergency service.



NATIONAL UNION FIRE INSURANCE COMPANY

Pittsburgh, Pa.



A
Good
Agency
Company

that organization are in healthy condition. Surplus of the bureau has been completely restored. Percentage of representation has increased to 97.23 percent.

Improvement has been effected in storm adjusting. A higher percentage of such losses went to the bureau in 1936 than theretofore. In the automobile, inland marine and special risk department, only experienced adjusters and supervisors are employed.

Adjusted fire losses increased last year over \$7,000,000 and the number increased almost 7,500, yet the charge for the adjustment of fire losses was \$47,000 less in 1936 than 1935. This does not include the refund to companies of \$168,000. The bureau will undoubtedly soon put into effect a substantial reduction in the charge for the adjustment of multiple company losses.

The management has decided that the only successful method of education is by close personal supervision. Accordingly it has carefully selected field supervisors wherever practicable and has given special consideration to the character, experience and qualifications of branch managers and resident adjusters.

CHICAGO

WILLIAM JANTZ GOES TO COAST

William Jantz, assistant cashier Fireman's Fund western department, Chicago, has resigned after many years' service to move to California. He will not leave the business but will announce his plans later. At an office gathering, Mr. Jantz was given a fine onyx desk set, J. J. Ferguson, general agent, making the presentation. Mr. Jantz formerly was with the Law Union & Rock western department in Chicago, as clerk, then with the Prussian National. Later he was connected with the Netherlands as assistant chief of the accounting department before he went with the Fireman's Fund.

* * *

A. T. PERSSON HONORED

A. T. Persson, Chicago, managing director Wagner & Glidden, independent adjusters, was feted on the 25th anniversary of his service with the company. Mr. Persson joined the organization in 1912 after five years' experience with Marsh & McLennan and Thrasher Hall in adjusting work.

H. L. Glidden, president, was on hand from New York for a banquet in Mr. Persson's honor. Twenty-one employees of Wagner & Glidden and Toplis & Harding, an associated adjustment firm, attended, including T. C. Crawley, Detroit branch manager. Mr. Persson received a clock and barometer from his associates; a silver tray as a personal token from Mr. Glidden; a pen and pencil set from the girls of the office, and a testimonial signed by all employees.

* * *

CHICAGO BOARD TO MEET

The Chicago Board will hold its quarterly meeting July 22, at which three new directors will be elected. Membership of the patrol committee will also be chosen then.

* * *

BROKERS TO HEAR PROGRAM

Cook County brokers will meet in the Chicago Board auditorium June 4 to hear the Business Development program explained. Wallace Rodgers, assistant secretary Western Underwriters Association, and W. C. Ellis, special agent Royal-Liverpool group, will explain aims and setup of the movement. Business Development meetings have already been concluded for the summer among Cook County suburban agents.

* * *

S. B. Komaiko & Co. of Chicago have secured an agency of the Eagle Star.

The Minnesota department has licensed the Merchants Mutual and the Blackstone Mutual, both of Providence.

Caledonian U. S. Manager Host in New Building



ROBERT R. CLARK, Hartford, Conn.

This week the Caledonian is formally opening its brand new home office building in Hartford and United States Manager R. R. Clark is busy as host. Some of his home office officials are in Hartford in honor of the occasion. Mr. Clark is president of the Caledonian American and also United States manager of the Netherlands. He started his insurance career with the agency of Muller & Porter of Boston. He then went into the field becoming special agent of the Newark Fire in New England and later became general agent of the Caledonian in the New England states. He was transferred to the head office in New York as executive general agent and succeeded R. C. Christopher as manager. He is held in high esteem by the fraternity.

Sir Gerald H. Ryan Dies, Headed the Phoenix, London

Sir Gerald H. Ryan, retired board chairman and general manager Phoenix of London, died in that city. He became assistant actuary Marine & General in 1882 and actuary in 1886. Two years later he joined the Royal Exchange.

After being with the British Empire Mutual Life as general manager and actuary he assumed the same position with the Phoenix in 1907 upon the latter's absorption of the other carrier. He became chairman of the board in 1924 and retired in 1931, although continuing as a director.

Sir Gerald was chairman of the British Treasury committee on the working of the national insurance act in 1916. He also drew up a government war coverage plan against aircraft. He was president of the Institute of Actuaries from 1910-1914, and was a member of the Actuarial Society of America since 1894. He was created a baronet in 1919.

Plan Mutual Group's Meeting

GRAND RAPIDS, MICH., June 2.—Plans are going ahead for entertainment here Oct. 4-7 of the National Association of Mutual Insurance Companies. A general committee has been designated to handle arrangements which includes: H. E. and Don Wilson, L. P. Dendel, S. L. Baker, and V. V. Moulton, all of Lansing; W. V. Burras, Flint; John DeHoog and L. A. Winchester, Grand Rapids; Milo White and C. O. Senf of Fremont; W. C. Kilpatrick, Woodland; L. W. Sunday, Hastings; Walter Otto, Detroit; Harry V. Andruss, Lapeer, and L. D. Corwin, St. Johns.

M. G. Irwin, former postmaster at Merrill, Ia., has been named manager of the Sioux City office of the LeMars Mutual.



HOUSE-ORGAN GRINDER'S SWING

• Like swing music, the Camden Advisor defies definition. It's a house-organ without rhyme or reason—but, boy, does it have rhythm!

It may come disguised as a Firecracker—[it did in January]. It may recall the old Wild West or the new Mae West. It may be streamlined or steamed-up; dynamic or die-hard; exotic or ex-libris—but it's never dull!

If you want a look at the monthly surprise ask Lex, the lively Lion of our Coat of Arms, to send you a copy.



CAMDEN FIRE INSURANCE ASSOCIATION

Camden, New Jersey

Celebrating Our 97th Year of Independence

English Company Governor Surveys the Scene in U. S.

HAS INTERESTING COMMENT

Pascoe Rutter of London & Lancashire
Says Socialism Is Now March
of Democracy

The remarks of Sir Frederick Pascoe Rutter, governor and chairman of the London & Lancashire, at the annual general meeting of that company, are always studied with particular interest in this country, because he treats the current situation in the United States, both from a general economic and political and from an underwriting standpoint. He is a keen observer and speaks his honest and interesting opinion.

In speaking of the United States, he declared, "There is one fundamental thought which I would like you to realize and carry away with you. What used to be known as 'socialism' and what is now recognized as the march of democracy, had already permeated this country (England) and is now being applied drastically and rapidly to that great country on the other side of the Atlantic.

Essentially Democratic

"Whatever the party constituting our government here may be styled we all know that it is essentially democratic and that the needs and aspirations of the proletariat have been considered and met to such an extent that there is little hope for, or reason for, opposition; or even for the demands of extremists. A glance at the figures of the budget at what would have been regarded 20 years ago as the fabulous cost of social services, demonstrates what I have been saying.

"And so with America. As a great Republican personality declared the other day, the Republican party has disappeared and democracy has come into its own and there will be no going back. Socialism has been established, and the masses of the people, the workers are not likely to let go of, or even to loosen, the power which they have gained in the administration of their country and, of course, in the improvement—or at any rate enlargement—of their own pecuniary status.

Interesting Spectacle

"It has been a most interesting spectacle, almost a romance, the only wonder being not that it should have happened, but that it should all have happened so rapidly and, being a revolution, so bloodlessly."

Total premiums of London & Lancashire amounted to £6,225,193—increase £183,098. Of the increase £163,006 came from the accident department and £85,771 from marine. There was a decrease of £85,679 in the fire. The decrease in the fire account was due only to a small extent to the United States. It was caused chiefly by disturbances on the continent and to depreciated currencies. The profit from the United States was only a little more than 3 percent against 10 percent the previous year.

No Money in Compensation

Sir Frederick observed that an increase is being recorded in the accident department "without pressing." Casualty business seems to be gradually outstripping in volume the business of the fire department, he observed. He referred particularly to the automobile and workmen's compensation situation throughout the world. These two departments are continually affected by new legislation. The companies are compelled to insure many hazardous motorists whom they would prefer to decline. The hazard is ever increasing due to the multiplicity of cars and reckless driving.

There is virtually no money in the workmen's compensation business throughout the world. Many companies would prefer to do without this busi-

ATTEND NATIONAL BOARD MEET IN N. Y.



1. Fire Companies Adjustment Bureau, seated, G. W. Lilly, general manager; W. E. Hill, secretary; standing, J. B. Hines, H. J. Boyle, general manager Pacific Coast department; J. F. Miazza, assistant general manager Southwestern department; R. M. Hill, general manager Rocky Mountain department.

2. J. C. Harding, executive vice-president Springfield Fire & Marine, Chicago, and G. G. Bulkley, president.

3. C. H. Lum, assistant general manager National Board, San Francisco.

4. Archibald Kemp, vice-president Firemen's of Newark.

5. Emond Ewing, vice-president Travelers Fire.

6. William Deans, Selbach & Deans, San Francisco.

7. O. E. Schaefer, president Westchester Fire.

8. F. D. Layton, president National Fire of Hartford and vice-president National Board, and W. J. Ward, general manager New York Fire Insurance Rating Organization.

9. A. F. Powrie, manager western department Fire Association, and O. E. Lane, president.

10. F. W. Koeckert, United States manager Commercial Union and retiring president National Board, and Sumner Ballard, president International and secretary National Board.

11. C. F. Shallcross, U. S. manager North British & Mercantile; P. B. Sommers, president American of Newark and president National Board; W. E. Mallalieu, general manager National Board.

ness altogether if it were not for other business which might be affected. Sir Frederick concluded that there is no prospect of improvement in the motor car or compensation business and the companies must endeavor to make their profit in other directions.

Sir Frederick recalled that the London & Lancashire together with all the other British companies, had withdrawn from Mexico because of the onerous legislation passed in that country.

He argued that the profit shown in the marine department last year was in some respects deceptive. The premiums included the extras charged for war risks which account for more than one-half of the total increase. It is hoped that the cause of this addition to the premium is evanescent.

During the depression only the best

vessels and best officers were being employed in the mercantile marine. That helped the companies in their loss experience. Now many less satisfactory ships are being employed and navigation is less careful. The companies are left with inadequate rates and the cost of repairs is already heavier and will probably be further accentuated as a result of the rearmament program.

Better Business Bureau's Warning

CINCINNATI, June 2.—The Better Business Bureau of Cincinnati, has gotten out a bulletin for posting on an office bulletin board carrying a warning to avoid unlicensed insurance companies.

According to the card, "Ohio has a strict law licensing insurance companies operating in this state. These licensed companies and their representatives pay taxes in Ohio and are subject to the supervision and jurisdiction of the Ohio division of insurance. There are certain unlicensed companies which operate in Ohio from other states or which sell contracts resembling insurance policies which are merely membership contracts."

It advises that only licensed companies be dealt with because the licensed company is under jurisdiction of the Ohio department, in a dispute over a loss it is necessary to sue the unlicensed company in its home state, the company's home state laws may not be as strict as those of Ohio, and licensed companies pay Ohio taxes.

Some Features of the Texas Agents' Annual Convention

T. C. McCurdy of Dallas, general manager Fire Companies Adjustment Bureau, sent a letter to President T. P. Ellis of the Texas Association of Insurance Agents, which was read at the annual meeting of the organization in San Antonio, with reference to the criticism of the bureau on account of its group policy covering public liability and property damage on adjusters' automobiles, it being made mandatory on adjusters to take this coverage. He announced that changes in present arrangements were made effective June 1. The adjusters will be given the option of placing their insurance with local agents of their own choice and will only be required to pay the same amount on the premium in cases where individual policies are secured, as is now being done under the group plan. He stated that he had announced to the branch managers and adjusters that it will be no longer mandatory that they insure their machines under the group arrangement. This has no reference to automobiles that have already been insured under the group policy.

Wants Adequate Insurance Carried

Manager McCurdy said that on account of this change it will be necessary to set up a plan whereby the bureau will be able to know that adequate insurance is being carried on all automobiles used by its employees in their work. It will be necessary that the bureau be furnished with certification by local agents of the coverage, giving the name of the company, policy number, terms and limits.

Manager McCurdy says there are a large number of the bureau men traveling constantly. It endeavored for a number of years to have them carry proper protection under individual policies with the result almost invariably, when an accident occurred it was found the insurance was inadequate. In some cases it learned too late that the adjusters did not carry liability insurance. The group plan was decided on because the bureau felt it had exhausted all efforts to protect properly its interests and the owners of the machines. Under the changed plan, he said, it will be permissible for the bureau men to secure individual policies through agents. They will be required to carry higher limits on public liability than heretofore.

Explains Auto Comprehensive

M. L. Canfield, speaking on "Texas Comprehensive Automobile Coverage," compared this protection to the specified cover and reviewed unusual losses actually paid. He urged the use of this endorsement, saying it takes care of many perils heretofore not insurable. He pointed out the full cover is the most popular while the \$25.00 deductible is also popular and cheaper.

Mr. Canfield said the assured gets one of the biggest bargains possible in the business through use of this endorsement, being protected against theft, glass breakage (from any cause), vandalism and malicious mischief, certain duststorm damage, and many others. While the premium is perhaps too low at present, agents in the meantime should take advantage of its existence to increase their income. The customer is satisfied there is no chance of misunderstanding in case of loss. Many agents simply attach it to renewals, and send a letter or explanatory slip pointing to its desirability.

Among interesting claims he mentioned was one in which the car was smeared with some kind of substance during a Halloween celebration, and another case where children slipped on the fenders of a car and clambered over the roof. These losses were covered under the endorsement.

C. G. Smith, chairman workmen's compensation committee, reported on the fight between companies and agents over commission on this business in Texas. The companies asked reduction because the Texas Board of Insurance Commissioners had not approved rate filings of the National Council on Workmen's Compensation for increases in the state. The companies withdrew the order for lower commissions pending further review, and new and revised rate increases were presented to the board later and are under consideration. The report also reviewed the decision on the illegality of the retrospective rating plan in Texas. The association is opposed to this plan.

President Ellis Reports

President T. P. Ellis, Dallas, reported only slight progress in cooperation between agents and the committee representing companies writing automobile business in Texas. There has been increasing activity on the part of local agents organizations, and the regional meetings have helped, he said. There was more interest in these, attendance being an average of 10 percent better. Mr. Ellis reviewed the work of the

(CONTINUED ON LAST PAGE)

Gasoline Hauling Hazard Is Now Being Given Study

Accidents involving gasoline transport trucks, particularly in Kansas, have become quite common, and are a constant threat there. A number of fatalities have resulted when these trucks have become involved in accidents and the escaping inflammable liquid ignites. Efforts are being made to limit the capacity of these transports and to enforce good practice regulations in their construction. Changes in length of time drivers are required to operate without relief is also being considered.

So far sponsors of the movement to regulate these transports feel that they have made little if any progress in cutting the hazard. They believe that it is a serious menace to life and property and point to the record of accidents as substantiation of their desire for regulation. The greatest hazard is considered to be the wrecking of such a truck within community limits where ignition of several thousand gallons of gasoline in the streets would create a severe conflagration hazard.

Audit Bureaus' Roundup

Managers of the audit bureaus in the various middle western states will have their annual conference at Lake Wawasee, Ind., June 21. Most of them will arrive the day before for an outing. Managers of the inspection bureaus will meet the following week at Colorado Springs.

Will Foster the Interest of the Producing Group

C. C. HEWITT IS AT THE HELM

Much Is Expected in the Development of the Service Men's Productive Association

C. C. Hewitt of Boit, Dalton, Church & Hamilton, Boston agents, 890 Broad St., who is the prime mover in the organization known as the Service Men's Productive Association, is carrying on the work under the auspices of the Massachusetts Association of Insurance Agents and he will be president of the new body. It is to be composed of producers to foster the interests of all middle men including agents and brokers. The association is now in process of incorporation. It is proposed to take in all classes of agents without prejudice to non-stock if they are committed to the principles of the association. The object is to promote the interests of middle men and attack the inroads of direct writing or direct selling. It will eventually stretch out over the entire country. Mr. Hewitt sees the necessity of agents and brokers protecting their own cause against the direct writers.

E. C. Niver to Assume Jobs of Gordon, Clough in N. Y.

NEW YORK, June 2.—Under the new program the duties heretofore exercised by D. F. Gordon as executive vice-president of the New York Board and Allen E. Clough, as secretary of the loss committee, will be combined under one administration with Elting C. Niver as executive officer. Mr. Gordon retired last December while Mr. Clough will retire this month, a liberal pension having been provided in appreciation of his service.

The withdrawal of Mr. Clough from active service has been contemplated for some months, and a special committee has been considering the succession. While the committee has not yet formally reported, the above arrangement is understood to have been adopted.

Mr. Niver is now supervisor of the Albany district of the Fire Companies Adjustment Bureau, prior to which he served at the Syracuse office, and previous to that handled adjustments for the Excelsior agency of Syracuse. He is credited with being a most capable adjuster, and possessing executive ability.

Mr. Clough has been in charge of loss work of the board since 1910, succeeding the late W. E. Robb, when the latter assumed the management of the New York Fire Insurance Exchange. Mr. Clough is a product of the middle west and received most of his experience in that territory. After several years in the western department of the Northern Assurance at Chicago, he became Michigan and Indiana special agent of that company.

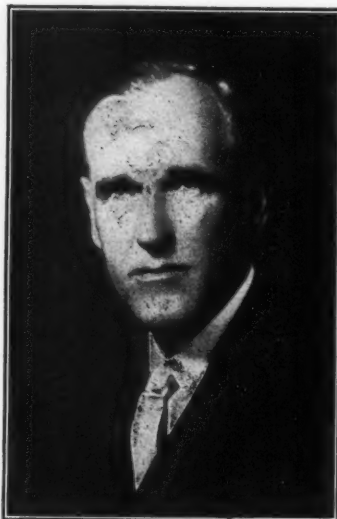
Adjusters Are Transferred

Lloyd Hill, resident adjuster Western Adjustment at North Platte, Neb., has been transferred to Burlington, Ia., to open an office. Just before departing he tore ligaments in his right leg and will be handicapped by the injury from five to six weeks. Succeeding him at North Platte will be A. V. Haerer, transferred from Salina, Kan.

F. D. Bates Dies on Coast

SAN FRANCISCO, June 2.—Frank Dudley Bates, for several years with the California division of insurance, died here Sunday. He was the father of Dudley S. Bates, joint manager New York Life, and of Mrs. Frank H. Spencer, whose husband is Pacific coast assistant manager of the Commercial Union group.

National Board Officials



PAUL B. SOMMERS

Paul B. Sommers, president of the American of Newark, who becomes the National Board's president, served four years as chairman of the committee on adjustments. He was chairman of the executive committee for two years. As vice-president he served on the executive committee. He is a director of the Underwriters Laboratories, a member of the executive committee and the rating methods committee of the Eastern Underwriters Association, a member of the executive committee of the Fire Companies Adjustment Bureau and vice-president of the Southeastern Underwriters Association.

Mr. Sommers is western born and bred, being a native of Franklin, O., where he was born July 3, 1885. He graduated from Lake Forest, Ill., University. He served in the field of the Scottish Union & National, was a local agent at Cleveland. He joined the American in April, 1920, as superintendent of agents, later became vice-president and was chosen president of the American group two years ago.



COL. FRANK D. LAYTON

Col. F. D. Layton, president National Fire of Hartford, who has been chairman of the executive committee of the National Board, becomes vice-president. He started his insurance career in a local agency in 1897. He is a native of Connecticut, having sprung from South Norwalk, being born there Dec. 11, 1879. He was appointed special agent and then general agent of the National Fire in New York and New England, was called to the home office in 1909 as assistant secretary, later became secretary, vice-president, was elected a director in 1921 and president in 1928. He is head of all the companies in the National Fire group, is a director of the Insurance Executives Association. He is a director of the Continental Assurance of Chicago, a life company, and the National Casualty of Detroit. He is a director of a number of banks in Hartford, the Phoenix State Bank & Trust Co. and Dime Savings Bank. He is a golfer of distinction. His election as vice-president of the board puts him in line for election as president in due course.

Automobile Insurance Now Thirty-five Years Old

On June 2, 1902, a ship-owner, R. C. Emery, called at the office of the Boston and made a puzzling request. Puzzling, because there was no precedent. The request was not, as usual, for insurance on a ship or a cargo.

"I have bought a 'Stanley Steamer' automobile," he announced calmly, "and would greatly appreciate your insuring it against the risk of fire."

When this startling request was made, the word "automobile" did not appear in any statutes, and there was no specific authorization for automobile insurance, but a broad construction of the existing laws by a liberal-minded Massachusetts attorney general ruled insurance on automobiles to be marine insurance. This decision was accepted by the Massachusetts insurance department and of those other states, the theory being that if the insuring of goods on board railroad cars was marine insurance, then the insuring of a motor running on wheels of its own, instead of on wheels of a railroad car, was really marine insurance.

First Insuring Clause

The policy was written by the Boston, not casually, but with all the courage and vision of any venturer into unknown fields. The policy read "\$950 on a two-seated, surrey style, single cylinder, French pattern; \$50 on tools, implements and per-



sonal effects, for one year from June 2, 1902, at noon, as per form attached."

The primary cover wanted was the fire risk only, which was provided, and then there was added to this cover protection against the perils of fire and derailment of cars while the automobile was on board railroad cars, and against damage caused by stranding, sinking, burning or collision of the steamer when the automobile was on board a steamship. The form was attached to the schooner form of policy known as the "Boston Schooner form."

"In-and-Out" Rule Now to Be Enforced in Cincinnati

CINCINNATI, June 2.—A program to enforce the "in and out" rule, which has been in the by-laws of the Cincinnati Fire Underwriters Association many years, has been instituted by the local board in cooperation with the companies. No board agency will represent a non-board company. There are 81 board members and about 13 of the larger non-board members. June 1 was set as the date to clear for the Royal-Liverpool, Phoenix Assurance and Firemen's groups. The latter group will operate non-board. Clearance will be accomplished by the balance of the companies July 9.

The larger non-board agencies which are affected are: Constable agency, C. J. Dauner & Son, Carl Dieterly, Grosbeck-Dickson-Kahn, A. F. Guethlein, Gunther, Looker Company, Donald G. High, E. King, Rutledge & Moser, Schneller Agencies, George A. Weiss, Winans & Price, and E. V. Winter. Stanley Spragens, a non-board agency, will not be affected.

Include Insurance Companies Under Income Tax Proposal

ST. PAUL, June 2.—The income tax bill introduced in the house at the special session of the legislature includes insurance companies and gives them no credit offset for the premium taxes they already pay. At the regular session the income tax bill allowed insurance companies an offset for their premium taxes. If the measure goes through in this shape it will add materially to the taxes of all insurance companies doing business in the state.

Burlingame Feted by 120

CINCINNATI, June 2.—J. H. Burlingame, Jr., Western Adjustment manager, Cincinnati, who has been named assistant general manager at Chicago, was tendered a farewell dinner by 120 of his friends and associates. The proceedings were informal and short talks were made by A. C. Guy, Columbus Western Adjustment manager, J. J. Conway, Mr. Burlingame's successor at Cincinnati, and R. R. Lippincott, assistant

general manager, Chicago. C. M. Cartwright, THE NATIONAL UNDERWRITER, Chicago, was toastmaster. Agents, field men, and adjusters from Ohio, Indiana, and Kentucky were present. Mr. Guy presented Mr. Burlingame with a flat silver service. There were several special entertainment features. The program was arranged as the "Burlingame number" of THE NATIONAL UNDERWRITER. A golf tournament preceded the dinner. Louis Kohl, prominent Cincinnati insurance attorney, scheduled for one of the talks, was called to New Haven, Conn., by the serious injury of his son in an automobile accident.

Engineers to Discuss Farm Fire Prevention Problems

There will be several discussions at the American Society of Agricultural Engineers at Urbana, Ill., June 21-24, which will interest farm insurance people. These include the following:

"Adequate Farm Wiring Insulation," H. W. Riley, New York State College of Agriculture, Cornell University; discussion of the agricultural engineer's responsibility in promoting better farm building, both on June 22; "Design Factors for Small Farm Houses," H. E. Wichers, Kansas State College; "Use of Insulation Under High Humidity Conditions," A. D. Edgar, United States Bureau of Agricultural Engineering; and general discussion of rural electrification on June 23. Short talks will also be given on June 24 in discussion of rural electrification problems. On the same day in the farm structures division meeting H. E. Roethe, U. S. Bureau of Chemistry and Soils, will discuss "Results of Recent Research in Spontaneous Combustion."

Court Sustains Companies

NEWARK, June 2.—The New Jersey supreme court has sustained the Essex county tax board in dismissing petitions of four companies seeking to review legality of assessments levied on personality for 1937. The companies are the Merchants & Manufacturers Fire, Universal, Universal Indemnity and New Jersey Fire.

Not With Galveston Companies

The American Indemnity and American Fire of Galveston state that A. L. Parker, who was referred to recently as special agent for those companies in eastern Arkansas, is not connected with either company.

National Union Correction

In the showing in the May 27 edition of gross written less return premiums for several companies, the appropriate showing for National Union should have been \$8,243,000.

Grier Joins Johnson in McGee Office at Atlanta



E. DANA JOHNSON R. W. GRIER

Robert W. Grier has become assistant manager of the Atlanta, Ga., branch office of William H. McGee & Co., well known inland and ocean marine insurance house. E. Dana Johnson is manager. The office services Georgia, Florida, Alabama, North Carolina, South Carolina and Mississippi. Mr. Grier has been identified with marine insurance in the south. He graduated at Georgia Tech, majoring in mechanical engineering and then entered the Atlanta office of Appleton & Cox, marine underwriters. He has been with that firm for nine years. He has had underwriting, loss adjusting and field experience. He will follow the same line with the McGee firm but will spend more time servicing agents.

Mr. Johnson came from Birmingham, Ala., and graduated from Northwestern University in Evanston, Ill., in 1929. Following graduation he went with the western department of the Westchester Fire of Chicago when S. H. Quackenbush was manager there. Later he took a position in the Chicago office of W. H. McGee & Co., remaining until November, 1935, when he was made manager of the Atlanta office. When he was in Chicago, part of the time he was head of the loss department and for three years did field work, traveling in 13 middle western states.

Pacific Board Appointments

SAN FRANCISCO, June 2.—C. D. Lasher, Home of New York, has been added to the general agents committee of the Pacific Board. R. L. Countryman, Ray Decker and W. O. Wayman have been added to the laws committee; Joy Lichtenstein, Hartford, has been reappointed to the public relations committee. Clifford Conly, Great American, has been reappointed and Mr. Lichtenstein appointed to the supervisory committee.

HANOVER

WHY NOT?

Join the "Hanover Family"—You'll like our personalized agency Service and Contact.

\$4,000,000 CAPITAL JAN. 1, 1937

\$12,746,831 POLICYHOLDERS' SURPLUS

\$18,425,922 ASSETS

LOSSES PAID SINCE ORGANIZATION \$24,945,000

The HANOVER FIRE INSURANCE COMPANY of New York *Montgomery Clark, Pres.*

NEWS OF FIELD MEN

Double-Decked Anniversary

Mort F. Grim, Ohio State Agent of the Phoenix of Hartford, Has Splendid Record

M. F. Grim, of Columbus, O., state agent of the Phoenix of Hartford group, who in May celebrated his 25th anniversary with the company, will complete his 50th year in insurance June 7.

Mr. Grim began work on June 7, 1887, for the Franklin of Columbus, and became secretary Jan. 1, 1895. He joined the Union of Philadelphia in 1897 and served that company as state agent and as general agent until May, 1911, when he joined the Phoenix.

During his years in the insurance business he has supervised Ohio and, at times, has also had supervision over Michigan, Kentucky, Tennessee, Indiana and West Virginia.

Mr. Grim has won many friends among members of the fraternity. He is a man of sound and conservative judgment.

A. L. Bailey Is Advanced

Alfred L. Bailey, assistant manager of the Travelers Fire at Rochester, N. Y., has been promoted to manager of that office. He joined the Travelers Fire in the early days of its organization, and after a course in the training school then conducted by the company was appointed a special agent in 1926, assigned to Manager P. D. Fogg in charge of upper New York state, with headquarters at Syracuse.

In relinquishing the territory reporting to Manager Bailey, Mr. Fogg continues his interest in that portion of the New York field, but will confine his activities to the territory reporting to Syracuse and Albany.

N. J. Special Agents Outing

NEWARK, June 2.—The annual all-day outing of the New Jersey Special Agents' Association will be held June 7 at the Suburban Golf Club, near Elizabeth, N. J. There will be a practice round of golf in the morning and a tournament in the afternoon with prizes. A dinner will follow a brief business meeting in the evening. Officers will be elected.

Liljeblad With Landers & Landers

E. M. Liljeblad has become associated with Landers & Landers of Indianapolis. For the past two years he has been with the Indiana department, passing on agency license applications. For five years prior to that he was special agent of the Great American in Indiana, following field experience in Ohio, Indiana and Illinois. He originally entered the field as special agent of the Commercial Union in Ohio. Mr. Liljeblad has been especially successful in making insurance surveys and audits. The fire company represented in the Landers & Landers office is the Columbia of New Jersey.

Wisconsin Nest Annual Meeting

The Wisconsin Blue Goose will hold its annual meeting at Elkhart Lake, Wis., the evening of June 22, just before the annual meetings of the Wisconsin Fire Underwriters Association and the Wisconsin Insurance Club, June 23-24.

Dakota Annual Meet June 24-26

The midsummer splash of the Dakota Blue Goose will be held at Alexandria, Minn., June 24-26. An invitation has been extended by the Minnesota pond to the Dakota pond to attend its banquet the evening of June 24. The Dakota pond will attend in a body.

June 25 the Dakota pond will have the usual sports events. The business

meeting will be held that evening, including installation of the newly elected officers.

Ohio Preventionists Annual Meet

The 32nd annual gathering of the Ohio Fire Prevention Association will be held in Columbus June 7. Six of the charter members are still active. Two of these have sons who are also in fire insurance work. L. C. Heller is now president; W. H. Witherspoon, secretary, and W. W. Waters, chairman executive committee.

In its inspection of Painesville and Fairport Harbor, J. B. Taylor of St. Louis addressed a luncheon meeting sponsored by the Kiwanis Club, which 200 attended. H. K. Rogers put on his clown act before school children. Mr. Taylor also spoke at the inspection of Newark.

Joint Blue Goose Meeting

SEATTLE, June 2.—June 4 is the date set by the Seattle Blue Goose for the 7th annual outing of the Seattle and British Columbia ponds in contest for the A. Z. DeLong trophy, and the eleventh tournament for the McKenzie memorial trophy, which is now held by E. E. Calles of Seattle. The DeLong trophy is now held by the British Columbia pond.

The meet will be held at the Seattle Golf & Country Club. A. M. Lindholm, most loyal gander, will be succeeded in office by Martin Poole of the Seattle pond at this joint meeting.

Grand Nest Conclave

The convention chairman of the grand nest convention of the Blue Goose to be held at the Hotel Vancouver, Vancouver, B. C., Aug. 17-19, states that this is the height of the tourist season and accommodations must be reserved at the earliest possible date. John W. Wilson, 501 Royal Bank building, Vancouver, is the convention chairman.

Nebraska F. U. A. Meets June 7

The Nebraska Fire Underwriters Association will hold its annual meeting in Omaha June 7.

Schedule Last Meeting June 7

DENVER, June 2.—The Mountain Field Club will hold its last meeting before the annual summer vacation on June 7. A report will be given by the committee chairman on the fire prevention meeting at Glenwood Springs, Col.

Alabama Pond Annual Meeting

The Alabama Blue Goose will hold its annual splash in Birmingham Friday. Eugene Phillips is now most loyal gander.

The Nebraska Blue Goose will hold a picnic June 18, at Linoma Beach near Ashland, Neb.

Meetings Are Scheduled for Business Development

Indiana—Gary, June 8; Indianapolis, Athletic Club, June 14 (state committee meeting).

Iowa—Davenport, June 3; Waterloo, June 8; Cedar Rapids, June 9; Ottumwa, June 15; Burlington, June 16.

Nebraska—McCook, June 10; meeting held at Norfolk, June 2; Falls City, June 14.

Oklahoma—Holdenville, June 8; McAlester, June 9; Ada, June 10; Ardmore, June 11; Ponca City, June 16; Enid, June 17; Lawton, June 18; Muskogee, June 24; Tulsa, June 25 and Woodward, July 1.

The John C. Wyckoff Company has opened a new adjusting office in the Telegraph building, Harrisburg, Pa., with Maj. R. T. Shearer as manager.

Annalist Survey Sees Companies' Future As Good

The future for fire insurance companies is particularly bright at present according to E. C. Harwood and Bion H. Francis in a survey in the current issue of the "Annalist."

"The long-term trend of demand is sharply upward," the authors say. "Their experience with fire losses should be highly favorable during the years immediately ahead. Inflation superimposed on the effects of devaluation seems more likely to benefit than harm them. Furthermore, their large common stock investments will probably provide somewhat more substantial profits than they already have available."

"From the investor's viewpoint the outlook is not quite so promising. As long-term holdings, the fire company stocks are peculiarly vulnerable. Either an ordinary cyclical depression or a major disaster might reduce or eliminate the income from such holdings. Both factors combined would certainly cause a severe shrinkage of capital, perhaps to a much greater extent than is generally realized by those who have advocated fire insurance company stocks in lieu of investment trusts."

Bad Possible Combination

"This possible combination of depressed business conditions and a major fire disaster might well be given more consideration by the companies themselves. When the danger of inflation has passed, or when common stocks profits are sufficient to cover any probable inflation losses, fire insurance company officials would be wise to reconsider their investment policies. Failure to perform their second important function because of a cyclical depression combined with a major fire disaster would certainly lead to more close regulation of their activities. In a competitive society business units can only expect to retain their freedom of action by recognizing their functions clearly and operating in such a manner as to meet their responsibilities."

"There is a marked correlation between business conditions and the experience of the fire insurance companies. During every major cyclical depression of business the experience of the fire insurance companies was substantially less favorable than during the preceding period of prosperity. Only a disaster such as the San Francisco fire (also the year of the Chelsea fire) was sufficient to break this relationship between fire insurance company experience and business conditions."

Amplitude of Fluctuation

"The relationship between business and fire losses is evident not only with respect to phase, but with respect to amplitude of fluctuation as well. The relatively prolonged period of prosperity from 1922 to 1929 witnessed an increasingly favorable experience for the fire insurance companies, except following the minor business recessions of 1924 and 1927. Obviously, the moral hazard in the fire insurance business is a real influence of marked importance."

"The relationships just mentioned justify the following conclusions with respect to the two functions of the fire insurance companies."

"1. As in the past periods of prosperity will mean a more favorable experience, and periods of depression a less favorable experience for the fire insurance companies. The improbability of a severe cyclical depression in the near future is therefore a higher favorable factor."

"2. Inasmuch as there are apparently more 'planned' fires during depression periods, the chances of a major catastrophe at such times is believed to be somewhat greater than during prosperous periods. Therefore, the investment

Fire and Lightning Results

The following exhibits were contained in the presidential message of F. W. Koeckert at the annual meeting of the National Board. Table I gives the 1936 record in respect of fire and lightning business only for National Board companies. Table II gives the results for 1932-36 inclusive.

TABLE I

Premiums earned	\$373,876,326	\$153,969,272
Losses incurred	(41.18%)	184,893,610
Expenses incurred	(49.45%)	
Profit	(90.63%) (9.37%)	35,013,444
Taxes	100.00%	\$373,876,326
Proportion of 1935 taxes to net premiums written		\$ 19,842,555
Proportion of 1936 taxes to net premiums written		5.01%
Increase		5.34%
		0.33%

TABLE II

Premiums earned	\$2,114,954,968	\$ 899,525,626
Losses incurred	(42.53%)	1,013,676,599
Expenses incurred	(47.93%)	
Profit	(90.46%) (9.54%)	201,752,743
Taxes	100.00%	\$2,114,954,968
Proportion of taxes to net premiums written		\$89,197,374
		4.47%

of reserves in common stocks to a marked extent may prove to be unsound in the long run. (It has been estimated that the San Francisco fire cost the companies every dollar of surplus accumulated from the Civil War to 1906 and \$80,000,000 in addition).

"It is generally recognized that the principal effect of the devaluation process will be to alter the previous normal relationship between a dollar and goods. That is to say, prices will be higher as a consequence of devaluation, perhaps about 50 percent above pre-war levels. Assuming that this will prove to be the case, it seems probable that the long term growth line of the fire insurance companies will be shifted upward parallel to itself."

Viewing of Ruins by Man on Jury Was Misconduct

The viewing of the ruins of a house, the insurance on which was the subject of litigation, by a jurymen during the trial and before the jury began its deliberations was misconduct, according to the Texas supreme court in Republic vs. Hale et al. The judgment of the lower courts in favor of the assured was reversed and the case was remanded.

Whether the building was a total loss was the main issue. The jury found that the building was a total loss. One of the jurors inspected the building after adjournment of court on the afternoon that the charge was read to the jury. That jurymen was able to convince two others on the jury, who had voted on earlier ballots that the loss was not total, that they should change their minds.

The juror in question stated that he already had made up his mind before he saw the house that it was a total loss. The higher court held that a juror's testimony as to whether the misconduct did or did not influence him in arriving at a verdict does not determine the question.

The higher court suggested that upon another trial the single issue be submitted inquiring whether the jury finds from a preponderance of the evidence that the building was a total loss and that in connection with the issue the term "total loss" be defined substantially as follows: "A total loss is meant such destruction of a building as that, after the fire, there remains standing in place no substantial remnant thereof which a reasonably prudent owner, uninsured, desiring to restore the building to its original condition, would utilize as the basis of such restoration." The question as to what such owner would do is not a subject of expert testimony.

The American Agency Corporation of Cleveland has been incorporated by Henry McGinness, G. Tomaszek and Paul Lamb.

LEGISLATIVE • DIGEST •

Connecticut—The house passed a bill authorizing the Russia to change its name to the Northeastern. * * * The house has passed a measure amending charters of Hartford fire companies permitting them to write casualty lines. It will come before the senate soon where favorable action is predicted.

New Hampshire—The senate has passed a bill giving towns and counties the authority to insure their properties.

Texas—Awaiting Governor Allred's signature is a bill exempting from taxation, premiums and assessments collected by county mutuals.

Florida—The senate has passed the firemen's pension fund bill endorsed by the state association of firemen. It provides for levy of 1 percent on fire and windstorm premiums of a city, with 2 percent deduction from pay of the firemen. The directing body will be the mayor, chief of the fire department and an active fireman. Senator Nordman, chairman insurance committee, was one of seven voting against it.

Florida—The senate defeated the bill creating a fire insurance rating bureau. Insurance circles feel that the new agency qualification bill may not come to final action at this session as there is some opposition and adjournment is close. It has not been read the second time in either house, although reported favorably by the insurance committees.

California—An agents' qualification bill passed, increasing the renewal fees of brokers from \$5 to \$10 and the fees to be paid by local agents personally.

Michigan—Weadock bill in senate reduces from \$250 to \$25 the annual application fee for rating bureaus and from \$25 to \$2 the fee charged applicants for raters' licenses.

Leonard Agency on Board

The W. J. Leonard agency has been admitted to membership in the Cincinnati Fire Underwriters Association, qualifying with the London & Provincial. Mr. Leonard is well-known among Cincinnati agents, having been a solicitor for many years. Associated with Mr. Leonard in the office at 3010 Carew Tower is his son, W. J., Jr.

Opens Gainesville, Fla., Office

The Fire Companies Adjustment Bureau is opening a sub-office at Gainesville, Fla., in charge of Adjuster Stanley Kelley, operating under the supervision of the Jacksonville office.

CALEDONIAN INSURANCE COMPANY

The Oldest Scottish Insurance Office

GOOD faith to agents and policyholders at all times has been one of the fundamental policies of this company. It is exemplified by an honorable reputation, sound practices, sound underwriting and a sound financial policy.

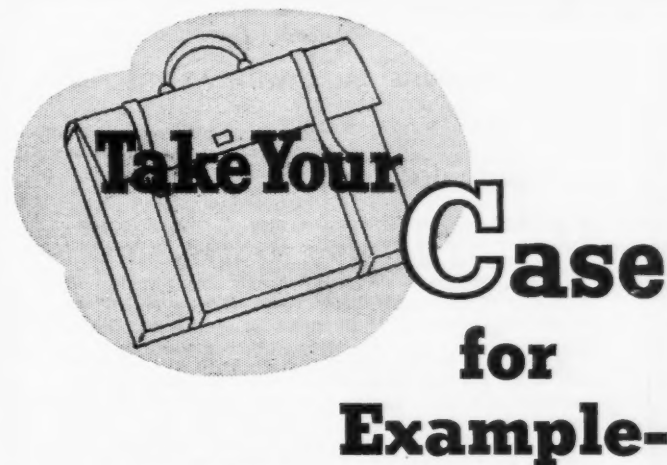
Caledonian-American Insurance Co. of New York

Robert R. Clark
U. S. Manager and President

The Netherlands Insurance Co. of The Hague, Holland

Established 1845
Robert R. Clark, U. S. Manager

Executive Offices: Hartford, Conn.



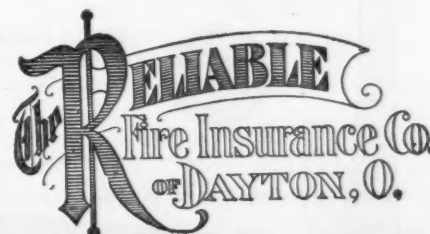
• You'd like to represent a company about which you can take pride in selling your friends. You've dreamed of tying your success to an institution renowned for its financial stability, reliability, prompt payment of honest claims, and above all in importance to you, cooperation with you, its agent. This is your opportunity! Investigate the possibilities of success with The Reliable Fire Insurance Company—reputed for its 72 years of service. Write for further details to—

Wm. F. Kramer, President
E. J. Weiss, Secretary

An independent Ohio company with a current surplus to policyholders of \$1,109,305.69

SPECIAL AGENTS

For Indiana C. R. Dobbins
For Ohio Harry J. Favorite
For West Virginia R. E. Metzger
Fred C. Campbell
Finnell and Robinson



Texas Body Over Thousand Figure

(CONTINUED FROM PAGE 3)

W. T. Capers, bishop of the Episcopal diocese of west Texas, after the meeting had been called to order by L. W. Gosling, of San Antonio, general chairman on local arrangements. The address of welcome was given by W. L. Stiles of San Antonio, and the response by Josh Morriss, Texarkana.

President Tom P. Ellis of Dallas in his address stated that for the first time the membership had passed the 1,000 mark. He covered the work of his administration, paying particular attention to London Lloyd's issue. He stated that the automobile manual is still a cross-word puzzle.

M. L. Canfield of Dallas, executive special agent, Home of New York, gave a very interesting talk and lucid explanation of the comprehensive automobile endorsement and cited many unusual claims that had been paid under this form.

Commissioner Hall Speaks

Marvin Hall, fire insurance commissioner, stated that in 1875 the legislature passed the first act to govern insurance operations in Texas. He described the work of the department since that time, stating that he thinks of himself as an umpire who tries to keep things running smoothly. He said that the license law is loosely drawn and has many loopholes that should be closed. He paid a special tribute to the special agents and urged that all make more use of the Fire Prevention Bureau.

The Thursday morning session closed with a playlet, "Logic in Action," given by local talent under the auspices of the American General of Houston. It brought out very strongly the advantage of stock over mutual and reciprocal insurance, and furnished many ideas that agents may use in meeting this competition.

The Friday morning session opened with the introduction of the new officers, with the exception of President Morriss, who was forced to return home the preceding evening.

In the report of the legislative committee Frank C. Gittinger, San Antonio, chairman, briefly reviewed the bills that were introduced in the last legislature, and described the successful efforts made to kill those that were objectionable.

Supplemental Contract

Following the rather technical report of the rates and forms committee, by Chairman A. D. Langham of Houston, R. B. Cousins, Jr., Austin, gave an interesting talk on the supplemental contract, stating that it is practically the same as the comprehensive endorsement that has not yet been introduced in Texas and claimed that it affords almost complete coverage for nearly all hazards. He said that during the past too little thought has been given to covering unusual hazards, and contended that this policy overcomes controversies, removes difficulties of adjustment, and obstacles to the sale of business. It provides broad and adequate protection. He also explained the method used in arriving at the premium, and stated that it would not be submitted to the Texas department for approval until the report has been received from the recent Chicago meeting on uniformity. He asserted that it has been easily sold and has proved profitable to all concerned.

John K. Boyce's Address

John K. Boyce, Amarillo, member of the executive committee of the National Association of Insurance Agents, gave a splendid talk, outlining the history of the association, and the work it is doing. He paid tribute to the San Antonio Ex-

change, which he stated is regarded as being nearly ideal.

The closing address was given by F. S. Dauwalter, New York City, director Business Development Office. He stated that the work is the first united effort of agents and companies to solve production problems, the most acute being meeting the cut rate competition. He stated that a Cincinnati merchant recently told him that the average agent is a peculiar individual in that he apparently never tries to sell, but simply takes what his client gives him. He said that this man's opinion is the view of many others. This man said that for many years he passed his insurance around among friends and acquaintances in the business, and until comparatively recently none of them had ever tried to make a survey. Finally he allowed one agent to make a survey, more with the idea of getting rid of him than securing any beneficial results. He was actually astonished at the conclusions shown. In many cases his policies overlapped, while in others there were loopholes. Many hazards were not covered at all. As a result this agent now gets all his business and will continue to get it as long as he realizes his obligation to bring to the assured's attention new hazards and new coverages.

Mr. Dauwalter stated that all insurance buyers would be glad to take advantage of such service and that it is the obligation of every agent to bring to his client's attention all new hazards and coverages. He further asserted that there is no indication that the average assured thinks much about the stability of the company or companies writing his insurance, as the general idea is that all are solvent and will pay claims. This, he said, is not true, for while compliance with certain requirements is necessary to secure a license, such does not guarantee solvency. He then gave an illustration of how an agent can show his client just how he is getting more security for his money in stock companies than in mutuals and reciprocals, even at a higher rate. In closing he stated that an agent should sell on the basis of quality.

Secretary Foreman's Report

Secretary D. G. Foreman of Fort Worth in his report revealed the association in sound financial condition and stated that for the first time in its history it had attained a membership of 1,000 of the leading agents in the state, the actual number being 1,022. Last year the figure was 995, a previous high. He gave some interesting information regarding London Lloyds in its effort to enter the state in general competition for business. He reported on legislative activities in which the association has been particularly interested.

Referring to house bill 219 creating a state school insurance fund and the workmen's compensation bill 897 that was amended to provide retrospective rating, he pointed out that the latter had been amended without the officers being consulted. They had met with company representatives and agreed not to take any steps regarding the bill although it was charged the company men presented amendments. It placed the agents' association in a position where there was no other course than to oppose the bill as amended. He explained fully Senate bill No. 77, which is the automobile rating bill and explained why the association fought the amendment that would permit cut rates.

He also took up the blanket or group automobile policy of the Fire Companies Adjustment Bureau covering automobiles of employees. In this connection he read a letter that had been received by President Ellis from T. C. McCurdy of the Fire Companies Adjustment Bureau. There was considerable discussion regarding this correspondence resulting in the meeting going on record, instructing Secretary Foreman to advise Mr. McCurdy officially that the association appreciated the action taken by the bureau in not making it mandatory that employees of the bureau take the group cover. It is assumed that it is intended that eventually all cars now un-

der the blanket contract would be insured with agents under the plan as set out in his letter.

F. F. Ludolph of San Antonio, chairman of the local exchange committee, submitted a report concerning the meeting held the day previously when 73 officers of local boards conferred. The local exchange people recommended that the new administration provide for a grievance committee so that future charges of violations might be submitted.

Jess M. Johnston of Fort Worth gave a report for the surety committee. He told about the effort to get an agreement with the companies to discontinue cut rates on big government contract bonds, banks blanket bonds and other similar coverages where the agents bear all the brunt and have their commissions reduced without the companies making any sacrifice. Mr. Johnston, Oliver Sawtelle of San Antonio and R. W. Thompson of Dallas were in constant conference with surety company officials throughout the convention.

Cruger T. Smith of Dallas, chairman workmen's compensation committee, reviewed the activities of his committee in endeavoring to obtain adequate compensation rates in the state. J. C. McClure of Dallas, manager of the Travelers, spoke in favor of the retrospective rating plan. Mr. Smith has been one of the outstanding opponents of this rating proposal. No action was taken on the retrospective rating subject although the discussion occupied much attention.

Acclaimed at San Antonio Meeting

A telegram from exposition officials stating the insurance would not be given to Lloyd's was read at the 40th annual convention of the Texas Association of Insurance Agents at San Antonio and brought the loudest applause of the three-day meeting. A feeling of antagonism toward the exposition was immediately changed to one of enthusiastic boosting. Secretary Foreman is sending out a bulletin to the entire membership advising that the exposition heeded the protests of the Texas agents and has given the general liability lines to stock casualty companies. The original policy calls for \$10,200,000 limits with the understanding that if these limits needs to be increased, additional coverage will also be given to stock casualty companies and not to Lloyds. It is believed that Lloyds will not make any further attempt to enter Texas at the present time.

The entertainment committee arranging for the 42nd annual convention of the National Association of Insurance Agents meeting in Dallas the week of October 4, restored the exposition on the list of entertainment possibilities, having temporarily taken it off during the Lloyds controversy.

The Texas association elected these as the regional vice-presidents: No. 1, C. Y. Tully, Wichita Falls; No. 2, to be filled; No. 3, John Adriance, Jr., Galveston; No. 4, T. C. Fitzhugh, Waco; No. 5, Paul Moore, McAllen; No. 6, Dan P. English, Wink; No. 7, Henry Tomson, Amarillo; No. 8, R. F. Roseborough, Marshall; No. 9, Gordon Kenley, San Angelo; No. 10, to be filled; No. 11, Emmette Chandler, Abilene; No. 12, S. S. Sloneker, Plainview.

Thieme on Eastern Trip

George R. Thieme of Thieme, Norris, Hansen & Rowland, Seattle local agency, is on a visit to the central west. He was in Chicago this week, will go to Detroit and then to Dayton and other points in Ohio, his wife having been a native of that state. Mr. Thieme was formerly president of the King County Insurance Agents Association and also of the Washington Insurance League. He is a prominent man in the agency activities of his state.

Ohio Agents Meet June 25

COLUMBUS, June 2.—The annual meeting of the Ohio Association of Insurance Agents will be at Cedar Point on Lake Erie June 25.

ONE-MINUTE TALKS WITH AGENTS

No. 12

"There Are Tricks in all Trades"

OFTEN you hear a business man make that remark. Some mean it, some don't. The truth is there are no tricks really beneficial in closing a sale. Psychology is necessary, diplomacy also, but the only sound method of selling is to thoroughly know your subject and not try to deceive the buyer.

Have faith in the superiority of your article, know that what you are selling will be more beneficial to your prospect than any other he could buy. Freely admit any weaknesses . . . strongly play up the strength of your proposition and if the true facts properly presented will not get the business, then you had better not have it.

Lots of times we feel that we must not let so-and-so know this or that. Think it over. Usually that is just what you had better tell him. Frankness and candor are two qualities that a salesman can well afford to develop.

W. H. Dent
President



GENERAL INSURANCE COMPANY of AMERICA
GENERAL CASUALTY COMPANY of AMERICA
FIRST NATIONAL INS. COMPANY of AMERICA

Eastern U. S. Dept.
116 John St.
New York, N. Y.

C. W. Davis, Supt. of Agents
200 N. Broadway, St. Louis, Mo.

Mountain States Dept.
Insurance Exchange Bldg., Denver, Colorado

Speculate on Reparations Remittances by Germany

MAY AFFECT MANY CARRIERS

**Black Tom and Kingsland Disaster
Losses May Be Involved in
\$22,475,000 Sum**

There is much speculation about the effect on insurance companies of the prospective payment by Germany of \$22,475,000 in war reparations incidental to the Black Tom and Kingsland disasters.

The exact details of the agreement entered into at Munich, Germany, last July are not known. If all or part of the payment of \$22,475,000 includes indemnity for the Black Tom and Kingsland disaster, Germany practically admits that the disasters were the result of activities of her agents. This has always been denied.

Involves 63 Companies

It is believed by some fire insurance men the negotiated payment is to apply on original awards made by the mixed claims commission. There were 63 domestic insurance companies that proved their claims to reimbursement for marine losses paid during the world war, and Congress enacted legislation early in 1928 authorizing the payments and setting up the mechanics for them. Partial payments followed, but through an intervention, distribution of all available funds was held up. Insurance companies are now hopefully looking for release of these and prospective additional payments.

The aggregate amount of the original awards to 63 companies having claims was \$33,000,000. Under terms of settlement, insurance companies would also be allowed interest at the rate of 5 percent per annum, starting from Nov. 11, 1918.

The largest awards, without interest, were:

Aetna Fire \$1,848,129; Automobile of Hartford \$1,419,086; Boston \$2,194,841; Federal \$2,379,383; Fireman's Fund \$1,267,377; Globe & Rutgers \$6,591,423; North America \$5,134,815; Phoenix of Hartford \$777,860; Providence Washington \$1,401,568; St. Paul F. & M. \$2,315,247; United States Merchants & Shippers, \$1,396,881.

New Handbook for Maryland, Delaware and Dist. of Col.

The Underwriters' Hand-Book covering Maryland, Delaware, District of Columbia has just come from the press of THE NATIONAL UNDERWRITER. This book, which is published every two years, is the recognized reference book on these three areas insurance-wise.

The main feature of this new book is the complete list of agencies in these

Reinsurance Claim Not the Same as That of Assured

NEW YORK, June 2.—The court of appeals has affirmed the decision of the appellate division confirming the action of Superintendent Pink in refusing to pay a reinsurance claim of the Capital Fire of Lincoln, Neb., out of policyholder trust funds in the liquidation of the General Indemnity.

Capital Fire had sought status as a policyholder creditor, but the courts held with Mr. Pink that statutory deposits filed with the state were for the protection of policyholder creditors alone and that reinsurance creditors could not benefit from them.

The decision affects a number of the insurers being liquidated in New York. In all cases where the company in liquidation had filed a statutory deposit, similar claims under reinsurance agreements have been held pending the outcome of this test case. The superintendent will now move to dismiss the objections of these reinsurance creditors in all other companies affected.

Permits Increase in Payments

The decision will permit a substantial increase in payments to policyholder creditors, in some companies. In General Indemnity there is a difference of 40 percent between what is being paid policyholder claimants and what reinsurance creditors will receive under the status of non-policyholder claimants. In larger companies the differential is smaller as deposits after reaching the maximum of \$250,000 required by law are stationary as liabilities increase.

The New Jersey courts in classifying claims against the New Jersey Fidelity & Plate Glass arrived at the same conclusion as did the New York courts with respect to reinsurance creditors. Another similar decision was recently handed down in the supreme court of Texas.

areas, fire, casualty and life. This shows the companies represented by each agency in each turn, the members of the firm, date established, other business transacted and the address.

Complete Data on Companies

Besides the agency information there is also given complete data on companies licensed to operate in this territory. Information in this section covers the name of the company, officers, financial statement and local field representatives. Data is found in this section on numerous companies which are too small or operate only locally so as not to be found in other publications. For easy cross reference the list of the field representatives is also arranged alphabetically.

Read "The Standard Fire Policy"—every opinion backed by actual legal decisions, references and citations. 182 pages, \$1.50. The National Underwriter.

Inland Marine Lines Now Enjoying Substantial Boom

RESULT OF PIONEER WORK

**Retrenchment of Casualty Companies on
Truck Coverage Benefits
All-Risk Carriers**

Sale of inland marine insurance is going ahead fast this year. Although the personal property floater appears to be the leader in public interest, production seems to be well spread over all lines. Reports from some offices indicate 30 to 40 percent premium increase so far this year.

The increase this year is seen by some inland marine men as a result of the pioneer work done by some leading companies in this field. For a number of years inland marine specials have been active throughout the country pressing the advantages of their line, especially from the standpoint of broad coverage such as under the all risk feature. The agents now appear to be seeing the premium possibilities of inland marine, not only directly but as an entree to other lines. The broad coverage at comparatively low rates available under the personal property floater has been an important factor in the development.

Agents also are becoming better acquainted with the inland marine department through cargo business which they occasionally pick up.

Casualty Market Tightened

Another factor which may have influenced agents and brokers to do more business with inland marine companies is the reaction from the retrenchment of casualty companies on long haul public liability and property damage. This was a line on which a number of casualty companies, organization and otherwise, experimented for a time, the results being costly. One after another of the companies withdrew from the market.

There was a strong tendency among agents and brokers to drive the rates down, and they were thus forced to seek a market among smaller stock companies, mutuals and reciprocals of fairly good reputation, and finally even no reputation at all, with the disastrous results that have been observed in the last few months.

Inland marine companies were unwilling to write this coverage alone, but they have offered the facilities in connection with the writing of other business. This has permitted agents and brokers to place their best lines that otherwise would have been hawked around the street and possibly never placed.

"What to Know About Automobile Insurance?" by Frederick W. Doremus will give you a sound foundation. \$1.50. Write The National Underwriter for complete list of practical books.

Connecticut Agents Hear Reports, Talk at Bridgeport

BRIDGEPORT, CONN., June 2.—The Connecticut Association of Insurance Agents met Wednesday morning in Bridgeport. Reports were received from Donald North, New Haven, for the membership committee; Edward S. Coles, Jr., Hartford, for the committee on legislation.

Brief addresses were made by Thomas H. Curry, deputy commissioner of Connecticut, and Vice-president Spencer Welton of the Massachusetts Bonding. Mr. Welton spoke on "Problems of Automobile Insurance and Workmen's Compensation." He urged agents to promote their fidelity and bond business. The convention adjourned for an afternoon of golf.

Opening of Caledonian's New Office Is Gala Event

By R. B. MITCHELL

HARTFORD, June 2.—Voicing admiration and congratulations executives of Hartford and other insurance centers thronged the Caledonian's new head office building here today for its formal opening. In addition to guests from other companies, most of the Caledonian's general agents and all its special agents are here. In all, about 200 were present.

Today's inspection began with U. S. Manager R. R. Clark's new office where he welcomed the numerous well wishers. A buffet luncheon was served in the penthouse. Tomorrow the public will inspect the new edifice. Today's events will culminate with a formal banquet which F. J. Cameron of Edinburgh, general manager, is giving in honor of Wallace Cowan of Edinburgh, chairman of the board; and Maj. Gen. Sir Walter Maxwell Scott of Abbotsford, deputy chairman.

Among the approximately 100 guests at the banquet will be the following company presidents and United States managers: R. M. Bissell, Hartford Fire; M. B. Brainard, Aetna Life; Gilbert Kingan, London & Lancashire; F. D. Layton, National; G. C. Long, Jr., Phoenix of Hartford; J. L. Loomis, Connecticut Mutual Life; W. Ross McCann, Aetna Fire; W. A. McConnell, Century; E. W. Nourse, London; C. A. Nottingham, Prudential of Great Britain; C. F. Sturhahn, Russia.

Commissioner Blackall of Connecticut will be a guest, also H. P. Smith, manager Factory Insurance Association. There will be no formal speeches, but the toastmaster, the Rev. Hugh Shields of Ridgefield, Conn., will call on a few of the guests for brief remarks.

In addition to the formal banquet there will be a dinner at the Farmington Country Club for the field men and department heads.

NEW YORK
BUFFALO
PITTSBURGH
CLEVELAND
COLUMBUS
DETROIT
INDIANAPOLIS
MILWAUKEE
MINNEAPOLIS
DULUTH
ST. LOUIS

MARSH & MCLENNAN
INSURANCE
164 West Jackson Boulevard
Chicago

TULSA
PHOENIX
SAN FRANCISCO
LOS ANGELES
PORTLAND
SEATTLE
VANCOUVER
WINNIPEG
MONTREAL
BOSTON
LONDON

EDITORIAL COMMENT

Accident and Health Material

THE material that comes out of the meetings of the HEALTH & ACCIDENT UNDERWRITERS CONFERENCE makes a valuable contribution to the literature of that special line of insurance. This organization is able to produce papers and comment of a most illuminating and helpful character. We could but be impressed with the story of the recent meeting at White Sulphur Springs, W. Va., in THE NATIONAL UNDERWRITER. All who are interested in health and accident insurance could gain much important knowledge by reading every word of that important record.

The health and accident business has risen to new heights within recent years. There is now more unity, more uniformity, less destructive competition,

greater desire to pool experience and to extend a helping hand. A company that is seriously writing health and accident insurance and having an executive or manager who knows his business and that is not considering it a sideline can develop a profitable premium income. If, however, a multiple line company regards this simply as one of its sidelines, does not appreciate that it is a specialty in itself and requires management of high order, it had better turn its attention to something else. Health and accident insurance is a splendid line for any producer to write. It is a clean business and if one renders proper service to his policyholders and keeps close to them, the renewals are satisfactory and lucrative.

"Time's" Insurance Attitude

IT is surprising and unfortunate that a well edited and well read weekly magazine like "Time" did not give more intelligent and helpful comment on Life Insurance Week than it did in its issue of May 31. Throughout the entire article is a satirical and cynical expression with the direct inference that life insurance is sold under high pressure and hence the lapses are heavy. It even brings in GILBERT & SULLIVAN of Philadelphia, composed of DAVID GILBERT and JAMES P. SULLIVAN, who attack legal reserve life insurance from the investment standpoint, and holds them up as able and erudite counselors.

The fact is brought out that there was an extremely heavy lapse ratio during the depression. Naturally thousands and thousands of people were not able to keep up their life insurance. They could not hold on to their securities. They had to resort to many means to economize and to live. Life insurance companies, like every other institution, felt the jolt of the depression. People had to sacrifice at many points.

There are different kinds of policies that give a maximum of protection with a minimum of investment, graded up to the higher investment forms so that these policies can be adapted to the needs of the individual.

While some of the broadcasts during Life Insurance Week and some of the talks were of a puerile and bombastic nature, yet the great bulk of publicity was educational and dignified.

"Time" like many of the college professors that have attempted to write about life insurance and attack it, is erroneous in its premises. Recently J. B. MACLEAN, associate actuary of the

MUTUAL LIFE of New York called attention to errors in the book "Life Insurance—A Critical Examination" by Prof. EDWARD BERMAN, labor economist in the WPA organization at Washington, D. C. Regardless of the fact that these were plainly brought to the attention of Professor BERMAN, yet in the "Forum" he repeats these same fundamental errors and now they appear in "Time's" observations.

"Time" reports 40 legal reserve companies failing during the depression. The deduction is made that these "failures" are on the same basis as commercial enterprises or banks where stockholders may receive but little out of the wreck. As a matter of fact, by the widest stretch of imagination, there are only 35 companies that collapsed during the depression. These "failures" may have affected stockholders but there are only a few out-and-out failures where policyholders, who after all are the essential parts of a life company, lost their all. A few companies badly manhandled left but little to policyholders. Out of this list there are probably six or seven where the policyholders will receive little or nothing. In the other cases the policyholders in some instances will be just as well off and even better than they were before. In others liens are placed on the reserves which are gradually being reduced.

"Time" makes the unfortunate blunder of recommending seemingly one year term insurance or pure protection which is the basis of the old assessment institutions, all of which have been wrecked by this very system or saw the light soon enough and reorganized

on a legal reserve basis where the investment feature plays some part in building and conserving estates and providing lasting protection.

It would be highly edifying if "Time" would list depression failures of banks, building and loan associations, industrial and commercial enterprises of various kinds, show what became of holdings in real estate, bonds and stocks and then compare the history of such holdings with life insurance investment policies which "Time" decries. The results would be very illuminating and would show life insurance to be far and

away, the safest place where people have placed their money.

Insurance in its various branches has its weaknesses and there are features to be criticised in a justifiable way. However, when one of the popular magazines attempts to take up a technical discussion without being well informed an injustice is done to the industry. When, for instance, it brings to the front GILBERT & SULLIVAN as giving the right sort of information on insurance to the people, its ignorance is revealed in what is a most startling measure.

PERSONAL SIDE OF BUSINESS

F. W. Sullivan, San Francisco, vice-president Firemen's group, will leave July 3 for a business trip to Honolulu.

Payne Midyette of Tallahassee, Fla., executive committeeman of the National Association of Insurance Agents and chairman of the legislative committees of both the national and the Florida associations, has entered the Riverside Hospital, Jacksonville, for observation and will not be back in his office until after July 1. A. C. Eifer, secretary of the Florida association, has moved his headquarters from Jacksonville to Tallahassee to substitute for Mr. Midyette's watchful eye on the Florida legislature.

Interest is being displayed by insurance men in this country in a volume that has been published by Sir Frederick Pascoe Rutter, governor of the London & Lancashire, because Sir Frederick is known in this country, due to his visits here and because of his observations that have been printed from time to time in this country. "The Twinkle" is the title of the volume which is a collection of his reminiscences about people and places throughout the world. Gilbert Kingan, U. S. manager of the London & Lancashire, will arrange to obtain copies for those desiring them at \$2 each.

W. F. Leary, Oregon deputy commissioner, one of the champion bridge players of Oregon and his playing partner represented his state in a tournament in Los Angeles recently. Mr. Leary was formerly with the Royal Indemnity as adjuster in the Pacific Northwest, after which he was with the Constitution Indemnity. He resigned to purchase half interest in the H. B. Newland agency, which he left to become deputy commissioner.

Mrs. Marie W. Curry, secretary of the Shober Insurance Service of Charleston, W. Va., died May 30. She had been absent from the office since early in December due to a heart condition, which developed into an infection. She was widely known in insurance circles.

Joseph A. Murphy, who recently retired as superintendent of the automobile department of the Aetna Fire, was guest of honor at a "pow-wow" of the Tilikums in San Francisco. Huddled about the "evening fire," which was kept aglow by Tyee F. M. Branch, Pacific Coast manager New York Underwriters,

were the following Tilikums: J. C. Dornin, Pacific Coast manager, Springfield Fire & Marine; H. R. Jackson, Pacific Coast manager Atlas Assurance; H. R. Burke, retired Royal manager; H. P. Blanchard, retired Fireman's Fund executive; and C. A. Craft, Pacific Coast manager Phoenix Assurance.

Mr. Murphy was presented with a plug of tobacco encased in a pouch of buffalo skin which had been carried by Lewis and Clarke on their famous trip through the Northwest territory in 1805. The pouch and its valuable contents were recently discovered by Chief Longhair of the Umatilla tribe on the old camp grounds of the Lewis and Clark expedition at Fort Walla Walla.

The Tilikums is composed of a group of former Pacific Northwest field men, who meet on occasion to do honor to one of their members or to talk over "the good old times."

M. G. Egbert, assistant western manager of the North America, is leaving in a few days for a month's trip to California, the Pacific northwest, and Lake Louise. He expects to stop at Winlock, Wash., where his son, M. G. Egbert, Jr., is operating a modern chicken hatchery. M. G., Jr., was formerly connected with the Rain & Hail Bureau.

Earl R. Hutton, Wichita, Kan., general agent, will head the Wichita Shrine delegation attending the Imperial Council meeting in Detroit June 22-24. He is potentate of Midian Temple at Wichita.

A. W. Schmadeke, Indiana special agent of the Atlas, reports from Hot Springs, Ark., where he went for treatment for arthritis, that he expects to be back on the job about June 5.

Western Manager S. M. Buck of the Fireman's Fund at Chicago and Mrs. Buck announce the marriage of their daughter, Laura Elizabeth, to William Seitz of New York City, April 24. Mr. Seitz is a successful young business man in the woodworking machinery business. His bride graduated from Northwestern University. They will live at 3552 Ninety-fourth street, Jackson Heights, L. I. They intended to be married the coming fall but the daughter and Mrs. Buck went to New York City from the Western Underwriters Association meeting at White Sulphur Springs and the wedding took place at the home of one of Mr. and Mrs. Buck's friends.

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PUBLISHED EVERY THURSDAY



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Samuel G. Buck, a son, was married over two years ago and is now connected with the Underwriters Adjusting Company, being located at Joliet, Ill.

G. S. Purifoy of Camden, Ark., the new president of the Arkansas Association of Insurance Agents, head of Purifoy & Stern, for two years served as county chairman of the Arkansas body and for two years was group chairman. He was vice-president last year. He has been in the insurance business 14 years. He is director of the Camden chamber of commerce, director of the Rotary Club and a member of the board of education. He is a past commander of the Camden American Legion and past district commander.

John F. Stafford of Babson Park, Fla., mayor of Hillcrest Heights, Fla., director of the Fruit Packing House, director of the Lake Wales chamber of commerce, director of the Lake Wales Rotary Club, head of the baseball committee, started with his trusty Chevrolet on Saturday for Chicago. He will spend the summer in northern seaports and return to Lake Wales with a broadened municipal outlook. Mr. Stafford retired from business a few years ago, having been western manager of the Sun.

Mrs. Karl D. King died last week at her home in Wilmette, Ill., after several years illness. Mr. King is a Fred S. James & Co., Chicago, partner and two sons are in the insurance business, Karl D. King, Jr., being with the Travelers' group department in Chicago and Robert C. King with the James office.

W. A. Chesnut, Kansas City manager of the Western Adjustment Company, underwent a major operation Monday for removal of gallstones. He is reported recuperating nicely.

Maurice Walsh, Birmingham local agent, was elected district governor of Optimists International for the 11th district, embracing states in the southeast, at its convention at Asheville, N. C.

T. W. Ozlin, member of the Virginia state corporation commission with supervision over insurance matters, was toasted as the "governor of Virginia four years hence" at a banquet of the Sigma Phi Epsilon fraternity in Richmond. Senator Harry F. Byrd was guest of honor. Mr. Ozlin was speaker of the Virginia house when Senator Byrd was governor.

Ray Murphy, Iowa commissioner, who helped to draft Iowa's state social security acts, spoke before the National Conference of Social Work at Indianapolis on organization in relation to public welfare planning, discussing the topic from the viewpoint of the American Legion, of which he is past national commander.

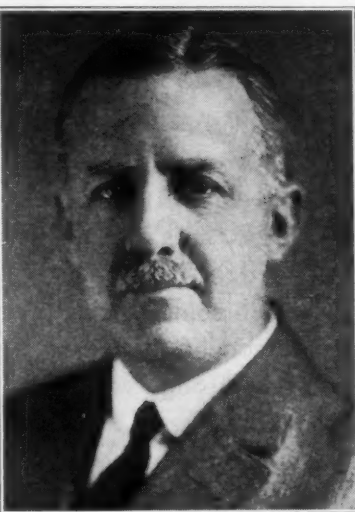
B. N. Carvalho, first vice-president of the Rossia, and president of the Metropolitan Fire Reassurance, celebrated his 59th birthday last week.

F. B. Seymour, secretary and treasurer of the National Fire, completed his 55th year with the company last week.

Commissioner J. C. Blackall of Connecticut will attend the testimonial dinner to be given June 9 in New York in honor of J. J. Magrath, who is retiring as head of the rating bureau of the New York insurance department to join Chubb & Son of New York City.

E. R. Lutz of the J. E. Lutz & Co. agency of Knoxville, Tenn., is celebrating his 25th anniversary in insurance. On June 1, 1912, following his graduation from the University of Tennessee at Knoxville, E. R. Lutz, who is now president of the agency, entered the office which had been established by his father, the late J. E. Lutz, in 1896. Since that time "Ned" Lutz has been giving his full time to insurance. A

Automobile Underwriters Reelect C. A. Nottingham



C. A. NOTTINGHAM

C. A. Nottingham, deputy United States manager Royal-Liverpool group, was reelected president of the National Automobile Underwriters' Association at its meeting in New York. The organization, which approved recommended changes in collision rates in western, southern and Pacific jurisdictions, also reelected C. C. Hannah, eastern manager Firemen's Fund, vice-president, and M. F. Beyer, vice-president Home, secretary.

special sales effort was carried on by his organization in his honor and it was intensified the week preceding his anniversary. Mr. Lutz has been a close student of insurance in its various branches. He is a large personal producer of business. In addition to his agency he is first vice-president and underwriting manager of the Tennessee Insurance Company, which he organized in 1830.

Judge J. E. Florin, 72, superintendent of fire prevention Wisconsin industrial commission since 1916, and before that as an attorney and deputy in the fire marshal's office, died in a Madison hospital of pneumonia. During the 30 years in the state insurance department and industrial commission, Judge Florin became widely acquainted among fire agents and company men and appeared at many insurance meetings.

O. A. Kremers, 64, veteran Milwaukee agent, died at his home after a long illness. At one time state agent for the Camden Fire, Mr. Kremers later engaged in the local agency business and at his death was a partner in the Kremers-Martin agency, although not taking an active part for the last six years because of ill health. Associated in the agency is Ralph Martin, a son-in-law, prominent in the local board and state association activities.

World Wide Business

TORONTO, June 2.—In addition to its new branch at Cairo, Egypt, the Confederation Life reports progress in other foreign fields as a result of a lengthy trip by President C. S. Macdonald, and C. D. Devlin, agency superintendent.

Egyptian business will be handled through the American Foreign Insurance Association of New York, which now looks after the business of about 15 fire and casualty companies operating in Egypt. Though this is its first contact with life insurance in Egypt, the American Foreign is already associated with the Confederation Life in Shanghai and Straits Settlements.

1794 1937

THE INSURANCE COMPANY OF THE STATE OF PENNSYLVANIA PHILADELPHIA, PA.

ANNUAL STATEMENT December 31, 1936

Reserve for Unearned Premiums	\$1,920,780.68
Reserve for Losses Under Adjustment..	194,625.69
Reserve for Taxes and all other Claims	107,228.45
Contingency Reserve	100,000.00
CASH CAPITAL	1,000,000.00
NET SURPLUS	2,112,660.17

TOTAL ASSETS\$5,435,294.99

SURPLUS TO POLICYHOLDERS \$3,112,660.17

Bonds and stocks are valued on basis approved by National Association of Insurance Commissioners. On basis of market quotations, the total Admitted Assets would be \$5,548,777.75 and the Policyholders' Surplus \$3,228,142.93.

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Fire, Tornado, Automobile Insurance

THE LONDON & LANCASHIRE
INSURANCE COMPANY, LTD.

ORIENT INSURANCE COMPANY

LAW UNION & ROCK
INSURANCE COMPANY, LTD.

SAFEGUARD
INSURANCE COMPANY

ENGLISH AMERICAN
UNDERWRITERS AGENCY

STANDARD MARINE
INSURANCE COMPANY, LTD. (Fire Dept.)

GILBERT KINGAN, Manager
Eastern Department
20 Trinity St.
Hartford, Connecticut

W. W. GILMORE, Manager
Pacific Department
332 Pine St.
San Francisco, Cal.

C. CLAUSSEN, Manager
Western Department
223 W. Jackson Blvd.
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is man's most valuable asset. Time out through accident, cuts income when it is most needed!

The F. & C. Personal Accident policy, keeps income coming in when a person is incapacitated through accident. You will be rendering your clients a real service if you tell them about it.



America Fore Insurance

THE CONTINENTAL INSURANCE COMPANY
AMERICAN EAGLE FIRE INSURANCE COMPANY
FIDELITY-PHENIX FIRE INSURANCE COMPANY
FIRST AMERICAN FIRE INSURANCE COMPANY

Eighty Maiden Lane,



and Indemnity Group

NIAGARA FIRE INSURANCE COMPANY
MARYLAND INSURANCE COMPANY OF DELAWARE
THE FIDELITY AND CASUALTY COMPANY

BERNARD M. CULVER, President
FRANK A. CHRISTENSEN, Vice-President

New York, N.Y.

NEW YORK

CHICAGO

SAN FRANCISCO

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The NATIONAL UNDERWRITER

June 3, 1937

CASUALTY AND SURETY SECTION

Page Twenty-one

Competition Aid in Casualty Is Asked

Agents Expect Companies to Cooperate in Business Development Work

IS DISCUSSED AT OMAHA

Project Similar to That Now Functioning in Fire Line May Soon Take Shape

NEW YORK, June 2.—Considerable interest in casualty underwriting was evidenced at the mid-year gathering of the National Association of Insurance Agents in Omaha, and this subject probably will be prominent at all future meetings of the organization. Premium income from casualty lines written by agents considerably exceeds fire premiums.

The suggestion was made at Omaha that in view of intricacies and the keen competition in casualty insurance the associated stock offices should create a division to aid agents in business development, similar to that conducted by fire companies, which is administered by a committee composed jointly of companies and agents under the direction of F. S. Dauwalter.

Recall Chicago Experience

Though no concrete program along such lines has been devised by casualty company executives, the subject has been considered from time to time and eventually may crystallize. Whenever the topic is broached, however, company chiefs hark back to the experience of the Casualty Information Clearing House at Chicago, which they organized for the benefit of field men about 15 years ago, and which soon involved them in a million dollar libel suit.

This experience made them wary. While they desire to help men on the firing line, executives fear legal entanglements. Casualty heads further maintain that the competitive problem is more severe in the casualty field than in fire since the companies must meet the competition not only of the non-stock element, but of stock companies as well. Some strong stock casualty offices are free lances in respect to rates on certain types of coverage. Before vigorous opposition could be offered non-stock institutions, all stock carriers would have to unite. There seems little prospect that this could be accomplished.

Liability Line Is Cited

Among other specific counts against associated stock companies advanced at Omaha was their failure to put general liability risks on the same term basis, as are burglary and certain other divisions, and to bring the time for rating experience compensation risks to within three months of renewal date.

General liability policies, save those

(CONTINUED ON PAGE 28)

Bay State House Stages Row Over DeCelles Issue

BUT PROBE TO BE CONTINUED

Charges Fly of Plot to Discredit Commissioner in Investigation of Commonwealth Mutual

BOSTON, June 2.—Charging that the current legislative investigation of the bankrupt Commonwealth Mutual Liability was part of a "diabolical plot" to bring about the removal of Commissioner DeCelles, members of the Massachusetts House staged a spectacular but fruitless battle to halt the probe on the floor of the house, only a few hours previous to prorogation. Scenes of wild disorder marked the debate and members were being continually called to order for personalities.

The issue arose on the vote to grant an additional sum of \$7,500 for extension of the investigation.

"This whole thing is a part of a diabolical plot to get Commissioner DeCelles because he ordered reductions in the compulsory automobile insurance rates," shouted Representative Brady of Somerville. "This so-called investigation is the work of no one but insurance lobbyists under the Golden Dome."

Charges Latshaw Was Favored

Striking at the testimony of Ray E. Latshaw, general manager of the now defunct Commonwealth Mutual Liability, who criticized DeCelles in his testimony before the investigating committee, Brady charged that Latshaw was "well paid for dragging the commissioner's name in the mire and muck. Ray Latshaw testified as he was told and what happened? Three days later he was appointed field agent for the Massachusetts Association of Insurance Agents. That's his payoff."

Representative O'Neill of Cambridge also took up the cudgel for the commissioner and was rapped to order when he asked that "a fair man be appointed as chairman of the investigating committee."

Representative Barnet of Fall River, member of the investigating committee, met the attack on the committee and insisted that the investigation had been urged by Commissioner DeCelles himself. He added that if the legislature failed to pay for stenographic help "a strong suspicion will be cast that someone is trying to block this investigation." Representatives Tarr and Coddair of Haverhill, the two other house members of the committee, supported Barnet. The chairman of the committee is Senator Oppenheimer of Springfield.

After Representative Brady again took the floor to charge that the investigating committee had accomplished nothing a rising vote was taken and the proposal to reduce the appropriation to sufficient funds to pay expenses to date was lost 81 to 50.

The life of Commissioner DeCelles was four times threatened over the telephone, state police were stationed in his office and at his home and he was urged to accept a permit from the director of public safety to carry a revolver, and

(CONTINUED ON PAGE 28)

Novel Rule on Reciprocal Exchange Assessments Made

100% ON LOSSES EACH YEAR

Expense Assessment in Open Amount in Addition to Losses Ordered by California Court

Separate and unlimited assessments for expenses, with limited assessment for losses against policyholders in a reciprocal exchange are indicated in a ruling of Judge W. P. Johnson of San Francisco in the liquidation of the defunct California Highway Indemnity Exchange by the insurance commissioner of California. By an order dated May 21, Judge Johnson directed the liquidator to determine the unpaid license fees, taxes, excess insurance, re-insurance, legal, loss claims, preventive and advisory board expenses incurred separately for each of the four years ending June 19, 1931, 1930, 1929 and 1928, and spread such expenses pro rata over the membership for each year. He then ordered the liquidator to spread the total unpaid losses in each year in the same way, with a proviso that the liability of each policyholder for unpaid

(CONTINUED ON PAGE 39)

Problems to Consider in Agency Research Program

In his committee report, which was the basis for the decision of the Health & Accident Underwriters Conference to undertake agency research work, Clyde W. Young, president Monarch Life, said that hiring, starting and training men who fail to become good agents and who soon leave the business is costing the companies many thousands of dollars each year. These failures are due partly at least to the type of men hired—men not suited to the job of selling accident and health insurance. While some consider it impossible to secure adequate aid in selection, he said that great progress has been made in the past 20 years in selecting human beings for specific jobs.

He suggested that the proposed study should seek answers to questions such as:

- (1) Are there any facts which will enable one to select in advance those men who have a greater than average chance of succeeding as agents?
- (2) Are these facts the same for companies of different types, and the same in different territories?
- (3) Are any selection methods now being used which have given constantly good results?

Factors of Good, Poor Agents

(4) On the basis of past experience, can any new methods be developed now which will give satisfactory results?

(5) Can the conference help both home offices and field men in determining the value of the numerous commercial schemes for selection now available?

An intensive, cooperative study of certain factors which are common to the better agents, as well as a study of the poor agents, to compare them with

(CONTINUED ON PAGE 39)

Undertakes Study of Picking Agents

Research Program Launched by Health & Accident Underwriters' Conference

CARROLL IS PRESIDENT

Faulkner Executive Committee Head, in Line for Higher Post Next Year—Discuss Impairments

By FRANK A. POST

A definite program of research, looking toward an improvement in the methods of selecting agents, was undertaken by the Health & Accident Underwriters Conference through the adoption at its annual meeting at White Sulphur Springs of a recommendation to that effect made by Clyde W. Young, president Monarch Life, as chairman of a special committee which has been studying the subject since last October. After outlining some of the objectives sought in this connection, the report urged that the president be authorized to appoint a research committee, "not simply to study or consider this matter, but empowered to carry the idea to a completion."

The hearty approval given to the program by the conference was no doubt influenced in large measure by the address given by Mr. Young before the agency management session at this meeting, in which he outlined the results obtained by his company in research work along this line. It brought out some rather startling facts and made a very deep impression on all those who heard it.

The other matter of importance which came up at this session was the proposal to have the conference organize its own impairment bureau. The idea was given the approval of the executive committee, but the conference itself limited its action on the matter to authorizing the appointment by the president of a committee to study the question of impairments and report later.

Carroll's Election a Certainty

The election of S. C. Carroll, Mutual Benefit Health & Accident, to the presidency was of course a foregone conclusion, and was greeted with sincere applause. He spoke very briefly, outlining the great possibilities before the conference and pledging himself to do his utmost to help fulfill them. He has served as chairman of the executive committee the past year and has long been active in conference affairs.

The choice of A. E. Faulkner of Lincoln, Neb., president of the Woodmen Accident and affiliated Woodmen Central Life, as chairman of the executive committee brings into line for the presidency next year a man who, while comparatively new in conference activities,

(CONTINUED ON PAGE 39)

Missouri High Court O. K.'s Bar-Adjuster Test Case

JEFFERSON CITY, MO., June 2.—The Missouri supreme court has granted counsel for the Liberty Mutual, American Mutual Liability, Lumbermen's Mutual Casualty, Hardware Mutual Casualty, Employers' Mutual Indemnity of Wisconsin and several individual employees of the companies permission to file suit in circuit court at Columbia, Mo., to determine whether their employees engaged in the investigation and adjustment of claims are actually practicing law unlawfully, as has been alleged by the supreme court's bar advisory committee and B. G. Clark of Columbia, chairman of the committee.

It was necessary for the petitioners to obtain the permission of the supreme court to file the suit against the bar advisory committee and Clark because they were appointed by and are the agents of the high court.

State Farm "Birthday Meetings"

The State Farm companies of Bloomington, Ill., are holding a series of "birthday celebration meetings" of agents in honor of the birthday of President G. J. Mecherle.

At Berkeley, Cal., some 3,000, including agents and members of their families, were in attendance. This meeting was for the agents of 11 Pacific coast states.

On June 7, Mr. Mecherle's birthday, there will be a meeting of agents in 11 states of the middle west, which is expected to attract about 4,000.

A meeting will be held at Knoxville, Tenn., June 11 for 15 states. About 3,000 will be on hand.

Van Sweringen Suit for \$75,000

Suit for \$75,000 against Globe Indemnity under a personal accident policy has been filed by the executors for the estate of O. P. Van Sweringen, Cleveland railroad magnate, in Cuyahoga county court of common pleas. Van Sweringen died on board a Pullman on an Erie train in Scranton, Pa. Claim is made that death was due directly to a slight accident between a switch engine and the car in which Van Sweringen was sleeping.

Bowser Returns to Chicago

W. E. Bowser has been transferred from Detroit back to the United States head office of the Zurich in Chicago as liability and compensation underwriter. Until recently he was at the head office for a number of years. D. B. Lightner, compensation and liability underwriter at the head office, has resigned.

Would Increase the Capital

A prospectus filed by American Fidelity & Casualty of Richmond, Va., with the Securities & Exchange Commission indicates an intention to increase capital to \$1,035,000 by the issuance of \$5 par value common stock. The present capital is \$258,000. This company is an important factor in the long haul trucking field, being linked with Markel Service.

New Rule on "Tips" in N. Y.

NEW YORK, June 2.—Effective July 1, the rule of the Compensation Insurance Rating Board of New York, as amended, will read:

"In case of employments or occupations where gratuities or so-called 'tips' received from persons other than the employer constitute part of the employee's earnings, the basis for calculating the premium shall be the actual remuneration as above defined, but in no event shall the value placed on wages be less than \$15 per week per employee, or less than \$3 per day (part of a day to be considered a full day) if the employee works less than five days a week. The value of board and lodging as above provided, if furnished, shall be added to this amount."

In Charge of Milwaukee Meeting



H. A. CUNNINGTON

H. A. Cunningham, Aetna Life, Cleveland, president National Accident & Health Association, will preside at the annual meeting of that organization in Milwaukee this week. E. H. (Count) Mueller, Pacific Mutual Life, president of the Milwaukee association, is general convention chairman.



E. H. MUELLER

Auto Mutual Still Writing; Shows First Quarter Gains

In connection with references made last week to the New York department's report of its examination of the Auto Mutual Indemnity of New York, K. A. Landon, executive vice-president of that company, says the statement that it has ceased writing new business is incorrect, "as indicated by the fact that in the first quarter of 1937 the company's new writings total \$587,547."

He states further that its expense ratio for the first quarter was less than 27 percent to premiums earned, or 23 percent to premiums written, which includes all expenses except claim expense and taxes, as compared with 34 percent and 31 percent respectively for 1936, and that net unearned premium reserve increased over \$50,000 the first quarter, equivalent to penalizing the surplus by 40 percent thereof, or \$20,000. Were it not for this increase in unearned premium reserve, he says, the company would have shown a substantial surplus increase. Even with a decrease in security valuations and a seasonal increase in non-admitted assets, it did show an increase in surplus of over \$11,000.

With respect to the deficit of \$13,197 in the contingent reserve or guarantee fund, the report said:

"In those states which do not adopt the New York insurance department rule for computing the loss reserve on compulsory public vehicle risks for the six months immediately preceding the examination date, substituting therefor the individual case estimates of losses incurred in that period, a substantial modification of the foregoing financial statement will result. . . . On the specific estimate basis, the assets and liabilities will be as follows:

Pure Loss Est.	Loading for future Claim Exp.	Total
\$54,109	\$8,163	\$62,272
† 16,418	1,641	18,059
Total reserve.....\$80,059		
*Personal injury claims		
†Property damage claims.		
"This compares with \$100,253, the reserve computed under the New York formula in the foregoing statement. On the specific estimate basis, the assets and liabilities would be as follows:		
Total admitted assets.....\$961,305		
Claim res.—non-compuls.....\$560,763		
Claim res.—N. Y. comp.....80,332		
Other liab.213,486		
Total liabilities.....\$854,582		
Surplus to policyholders.....\$106,723		

Quigg Chicago Bond Head of the Standard Accident

M. J. Scheemeacker has resigned as Chicago bond manager of Standard Accident to become vice-president in charge of sales and credits of Material Service Corporation of Chicago. He is succeeded by A. H. Quigg, who for the past year has been bond manager for the Standard at Syracuse, N. Y. Mr. Quigg has been in the surety business 13 years, commencing at the head office of Hartford Accident and then being transferred to Philadelphia as assistant bond manager, where he remained until a year ago.

Mr. Scheemeacker is a resourceful and successful producer.

Mr. Scheemeacker started with the Aetna Casualty in Chicago in 1918. In 1923 he went with the Standard Accident in that city as assistant bond manager. In 1928 he went with the Commercial Casualty on the Pacific Coast as bond manager and then returned to Chicago as surety manager for the U. S. Casualty. He returned to the Standard Accident in Chicago in 1932 as associate bond manager with A. C. Arnold. Upon Mr. Arnold's death in 1933, he became the manager. Last year the Standard Accident through the Chicago office wrote about \$400,000 in bond premiums.

Mackay With Home Indemnity

In succession to W. M. Smiley, resigned, Robert D. Mackay is now manager in Ohio for all lines of the Home Indemnity, with headquarters in Cleveland. After studying at the University of Nebraska, Mr. Mackay engaged in the contracting business for several years, subsequently traveling in Ohio for American Surety.

Mr. Smiley, it is understood, has joined the Mellbank Surety of Pittsburgh.

Travelers Men Transferred

R. H. Reichard has been transferred to the Travelers office at Pittsburgh as cashier. Heretofore he has been cashier at the Williamsport, Pa., office. J. G. Potts, who has been resident engineer in the inspection division of the Travelers at Williamsport, has also been transferred to Pittsburgh.

The Farm Bureau Mutual Fire of Columbus, O., has been licensed in Virginia with principal office at Richmond in charge of C. V. Walton.

Revamp National Bureau Coast Setup Under R. E. Fay

LALEY TRANSFERRED TO N. Y.

Head of California Casualty and Surety Cost Conferences to Manage Tariff Office As Well

NEW YORK, June 2.—Rollo E. Fay has been appointed manager of the Pacific Coast branch of the National Bureau of Casualty & Surety Underwriters in San Francisco, it is announced by William Leslie, general manager National Bureau.

Mr. Fay succeeds R. E. Laley, who has been absent on leave on account of illness. Upon his return to active duty, Mr. Laley will be transferred to the New York offices of the bureau.

B. K. Campbell will continue as manager of the Seattle office with general supervision over the Portland office. Direct management of the Portland office will be under Fred C. Van Horn as at present. G. F. Leineke will continue as assistant manager of the coast branch in San Francisco.

First Step Is Taken

Details of contemplated changes in the plan of operation for the coast branch are not now available. A local advisory committee will work them out subject to the approval of the National Bureau executive committee. Mr. Fay's appointment, however, may be regarded as the first step in a program to strengthen the coast branch.

The advisory committee which has been developing this program includes: R. E. Lucy, Travelers, chairman; J. C. Bunyan, Ocean Accident, Joy Lichtenstein, Hartford Accident, C. A. Bonner, Aetna Casualty, Edwin C. Porter, United States Fidelity & Guaranty, B. G. Wills, Fireman's Fund Indemnity, Read Gibson, New Amsterdam Casualty, and C. B. Cornell, Fidelity & Casualty.

Mr. Fay is widely known on the Pacific Coast. He was prominent in the organization and development of the California acquisition cost conference and is now its chairman. He is chairman, also, of the northern and southern conferences on surety acquisition cost. He will continue his executive services as chairman of these conferences.

Mr. Fay was associated with Aetna Casualty in San Francisco for 12 years. In 1928 he resigned as assistant manager of the Aetna's western branch to become Pacific coast manager of Century Indemnity. He continued in this capacity until 1931, when the company discontinued operations on the coast.

Widua to Western C. & S.

George Widua has gone with the Chicago branch of the Western Casualty & Surety in safety engineering work, associated with Manager H. A. Petersohn of the branch and J. G. Loeding, district supervisor of the engineering department. Formerly for a number of years Mr. Widua was connected in safety work with the Royal Indemnity in Chicago, then with the Central Mutual, and then the Franklin Mutual.

McKell Is Luncheon Host

NEW YORK, June 2.—W. E. McKell, newly elected president of the Insurance Society of New York, tendered a luncheon to his fellow officers and directors in the organization today.

Guest Law Repealer Advanced

HARTFORD, June 2.—The Connecticut lower house overrode the governor's veto of the bill repealing the automobile guest law. Senate leaders say the senate will do likewise.

A. B. Jackson, assistant vice-president St. Paul Fire & Marine, has been elected a director of the St. Paul Community Chest.

Occupational Disease Bill Passed by Michigan Solons

EXPECT GOVERNOR TO SIGN

Silicosis Limit Set at \$3,000—Thirty
Other Ailments Get Accidental
Injury Benefits

LANSING, MICH., June 2.—A fairly liberal occupational disease law has been enacted by the Michigan legislature and awaits the virtually assured signature of Governor Murphy.

The measure was finally passed when the house approved the Hittle-Burke measure in exactly the form in which it had been passed by the senate. Any change would have made it necessary to send the bill back to the senate for concurrence, giving an opportunity for foes to tie it up in committee or block it on the floor.

Silicosis Limit \$3,000

The new act places 31 common occupational diseases or ailments, including silicosis and hernia, under the workmen's compensation law. Silicosis claims, in order to be compensated, must involve total disability or death and the act limits recovery to \$3,000 in this classification. Other ailments would be subject to the same limits as accidental injury cases. A one-year limit is set for filing claims. The compensation commission is empowered to employ three examining physicians in disputed cases. If an employee gives an employer false information relative to his previous health record any subsequent claim is voided.

Diseases Covered

The majority of the listed diseases are forms of industrial poisoning. The schedule contained in the act follows: anthrax; lead poisoning or its sequelae, zinc, mercury, phosphorous, arsenic, wood alcohol, benzol, carbon bisulphide, nitrous fumes, nickel carbonyl, dope (tetrachlor-methane or any substance used as or in conjunction with a solvent for acetate of cellulose or nitro cellulose), formaldehyde, chrome (including ulceration), radium, methyl chloride, and carbon monoxide poisoning or their sequelae; epitheliomatous cancer or ulceration of the skin or of the eye cornea from tar and similar products; glanders; compressed air illness; miners' diseases; cataract in glass workers; respiratory gastro-intestinal or physiological nerve and eye disorders due to contact with petroleum products; disability due to blisters or abrasions, disability from buritis or synovitis; dermatitis; hernia; stone workers' or grinders' phthisis-silicosis and pneumoconiosis.

May Pass Waiver Provision

Although earlier efforts to include a waiver provision were fruitless it is considered possible that a new bill offered by Senator Hittle of Lansing, one of the co-sponsors of the new act, may be enacted. It would permit persons suffering from mild forms of occupational diseases to waive their benefits under the act in order to retain their jobs. In stone-working and similar industries mild silicosis is present in a large percentage of the workers and adoption of the law without a waiver provision would work a great hardship since employers would be forced to discharge such employees in order to obtain insurance, it is held.

NEW RATES NEEDED

NEW YORK, June 2.—The passage of the Michigan occupational disease law will mean the recasting of compensation rates. As one of the great mining and manufacturing states, the occupational disease hazard in Michigan is such as to call for intensive study on the part of all interests affected.

Prominent Surety Man Is Head of Iroquois Club



COL. R. HILL CARRUTH, Chicago

Col. R. Hill Carruth of the Fidelity & Deposit in Chicago has been elected president of the Iroquois Club in that city, one of the oldest Democratic organizations in the country. Colonel Carruth has been very active in the club. He has served as chairman of the program committee, house committee, secretary and has been first vice-president. He is prominent in Democratic councils in Chicago.

Credit Men's Insurance Parley Set for June 22

One session of the convention of the National Association of Credit Men, at Chicago, will be devoted to insurance discussions. The meeting will be June 22, at 3 p. m. Topics of the tentative program include checking business credit losses; important forms of insurance; extra expense insurance; vandalism; non-ownership liability; occupational diseases; fidelity bonds; insurance coverages as they affect financial statements. Officers of the insurance group are D. C. Campbell, Continental, Chicago, chairman; J. Dillard Hall, U. S. F. & G., Baltimore; T. Alfred Fleming, National Board, New York, and Edward King, Hooper-Holmes, New York, vice-chairmen.

Employers Mutuals' Meeting

APPLETON, WIS., June 2.—Rating plans for workmen's compensation insurance were discussed by W. H. Burhop, secretary Employers Mutuals of Wausau, at a dinner meeting of company representatives here. Salesmen of the local branch office held a sales meeting at which Noke Lillcrap, casualty underwriter, and Clarence Moen, fire underwriter, both from the home office, spoke.

Two Percent Wisconsin Tax

An act has been passed in Wisconsin requiring a 2 percent tax on casualty and surety premiums payable on March 1 for all business written in the previous year.

Safety Conference to Meet

The Western Safety Conference will be held in Portland, Aug. 17-20, with the governing board holding its meeting Monday, Aug. 16. The conference was organized two years ago and the first was held in San Francisco.

J. W. Carberry has bought an interest in the Allen Stamby agency, Cedar Rapids, Ia., and with D. A. Stamby will operate as the Carberry-Stamby Agency.

Data Is Now Presented on 400 Women Embezzlers

The U. S. Fidelity & Guaranty has now issued case histories and statistical data on 400 women embezzlers, following the success of its "1001 Embezzlers" issued early this year. Neither sex has a monopoly of honesty or dishonesty, E. A. Davis, president, said in his introduction, although motives differ somewhat in form.

The 400 women, who embezzled a total of \$1,293,201, were more secretive about what they did with the money than the men embezzlers. Drinking, gambling and speculation were minor causes, and almost half committed embezzlements for somebody else, at least partially, the report states.

As far as could be discovered none of the 400 had a college education, 181 had attended high school and 138 grammar school only. Most of the rest had had business school training, and the report said only the future will tell whether college women's entering offices will change the embezzlement picture. Only 40 women had had meager education. The 400 did not lack intelligence and performed their work creditably, holding their positions for an average of five years with a fairly good level of salary.

Marital Status

Average age of these embezzlers was 35½ years. There were 191 married women, comprising from one-half to two-thirds of those employed by fraternal societies, post offices, banks and mercantile establishments. Average age of this class was 40. One-third of this class did not have to work and the remaining two-thirds did so because of large families or husbands who for various reasons could not earn enough.

Single women accounted for 139, with average age slightly less than 30 years. Many of this class had to work, but had less responsibility, more than half having to look out only for themselves, and many maintaining their own establishments. Most of the single women were employed in mercantile offices. Widows totaled 44 and all of them had to work for a living. Average age was 48 years. More than half had children to support. One-fourth of these held public office and in many instances widows worked where relatives were also employed. While some had homes their husbands had established, many of them lived with relatives and often in poor circumstances. Widows' responsibilities were the greatest. There were 25 divorcees with less responsibility than any of the others. Only one in five had dependents and most were employed in mercantile jobs. Average age was 36.

Shows Age Variations

Age varied according to type of work. Women in fraternal, post office and other public jobs were the oldest. Most of women embezzlers were between 26 and 42 years of age, although the youngest was 19 and the oldest 78. The 400 on the average were not poorly paid for the work they did, the report said, average pay being \$97 a month, a few women earning more than \$5,000 a year, although rate of pay fluctuated according to type of business, and whether it was in a city or small town. The groups had fairly long periods of service, those in mercantile positions having less than five years, fraternal societies more than five years, public officials more than seven years and post office employees about eight years. Average was 5.38 years although one had served 47 years while another stole the first day she went to work.

Period of embezzlement averaged between one and two years although one woman manipulated her accounts for 12 years. Many spent several years vainly trying to replace the money that they had embezzled.

Collusion and absconding played a large part in these 400 cases. Most of the collusions was with other employees, usually men, and for the entire group percentage of collusion was 16.5, single women being most prone to work with others. Many women absconded. Suicide after the embezzlement was exposed was a negligible factor. Of the causes of embezzlement, family living expenses accounted for 81, living above income, 105, benefiting others, 179.

Home conditions varied greatly. Some lived in expensive apartments, while others left poverty ridden homes and had to do housework upon return. However, 181 had homes that were fair to excellent, while the others lived where there was poverty or bad moral influence.

Physiological Conditions

Four out of five confessed readily when faced with the facts, but one-fifth absolutely denied responsibility. There was less publicity about women's embezzling due to husbands and other relatives coming to the rescue. The report said while data on physiological conditions of women embezzlers was not available, this factor should be considered in future years when more may be found out as to this cause of behavior. Only one had a truly criminal history, while the rest were not of criminal type. Most were honest and did not intend to steal. Pure selfishness motivates women less often than men, as fewer women spent the money on themselves. The report concludes that under favorable circumstances and with better safeguards many of these might have remained honest.

To Honor Dr. H. J. Stack

When Dr. H. J. Stack, director education division National Bureau of Casualty & Surety Underwriters, starts on his nation-wide visit to major colleges throughout the country, he will begin in San Francisco June 29. The following day he will be the guest at a luncheon which will be attended by Mayor Rossi, Chief Administrative Officer A. J. Cleary, and other officials and safety leaders. The luncheon is to be under sponsorship of the San Francisco Safety Commission and the Street Traffic Advisory Board, of which Chief Cleary is chairman.

Attendance will also include leading safety advocates among casualty companies, including C. W. Fellows, president Associated Indemnity; B. G. Wills, vice-president Fireman's Fund Indemnity; S. L. Webster, resident vice-president Maryland Casualty; C. G. Brown, California Casualty Indemnity Exchange, and Joy Lichtenstein, Hartford.

Yes, the Age of Miracles Is Indeed Still with Us

The story of the man who bit the dog is nothing compared to this one involving liability of the Chicago Surface Lines:

The victim, who was standing in the front end of the car, was injured when it stopped suddenly. He was thrown against a window-jamb. His arm went through the glass, being cut severely. The man went home after first aid, however.

The company promptly sent out a claim man. The victim, a laborer unused to city ways, immediately said: "Now be reasonable, won't you? I know it was my fault and I wonder if \$5 will pay for that window."

When the claim man recovered he settled the injury case for \$10.

ACCIDENT AND HEALTH

Crofoot Goes to Head Office

Assistant Manager in Chicago for the Connecticut General Life Becomes Accident Field Assistant

J. F. Crofoot has been appointed field assistant in the accident department at the home office of the Connecticut General. He graduated from the University of Pennsylvania and then worked in the Philadelphia agency of the Connecticut General. Later he went to Milwaukee and was with the Travelers as field assistant in the Milwaukee agency. About a year ago Mr. Crofoot became assistant manager in charge of the accident department of the Connecticut General in Chicago. The appointment of Mr. Crofoot is in line with the Connecticut General's plan of putting experienced field men in the agency department.

Adelbert Hasselbach and Donald Paul have purchased the Robert Strayer agency, Bellevue, O. It will be known as Hasselbach & Paul.

Pacific Mutual's New Setup

Agency Department Reorganized Into Three Divisions Under General Direction of D. C. MacEwen

The Pacific Mutual Life has arranged its agency department into three divisions. D. C. MacEwen, vice-president in charge of agencies, directs these units.

Jens Smith has charge of the organization section as manager of agencies, with direct supervision over life, accident and railroad department representatives. F. R. Woodbury, assistant manager, will take care of accident department matters under this jurisdiction.

The field service section has F. W. Forker as manager. He is a C.L.U. and has been assistant in the executive agency department, home office. Miss G. M. Millar will be assistant manager. The section will have charge of sales promotion, advertising and publicity.

The agency department statistical section will be under direction of N. W.

Albert, who has been agency accounts supervisor. This unit will compute all data necessary for information as to production, conservation, etc. The agency accounting section will be transferred to the general accounting department, the section there under direction of I. I. Reeve, formerly office manager San Francisco branch. F. J. Steinebrey, chief administrator for agency accounting since 1906, will take a leave of absence due to poor health.

H. J. Brown has new duties under Vice-president H. S. Sudley.

Ocean-Columbia Over-Age Contract Has Wide Appeal

Much interest has been displayed in the new "security" policy, which is an over-age contract, of the Ocean Accident and Columbia Casualty. Until these associated companies provided the facilities, the only market for such a contract has been London Lloyds.

The "security" policy is issued, beginning at age 59. The companies have no age limit beyond which they will not go, although at ages 80 and over the risk is given special consideration.

The contract provides death, dismemberment, total and partial disability benefits, plus several attractive side issues such as hospital, nurse, surgical, selective schedule, double indemnity and identification clause.

For premium of \$70 to age 75, \$120 thereafter, death benefits of \$10,000 are provided for ordinary accidents, \$20,000 for travel accidents; weekly indemnities of \$50 a week are given for 104 weeks with provision for a lump sum commutation at end of that period; for partial disability, benefits are \$20 a week up to 26 weeks; there are specified payments for surgeon's fees, 20 weeks of hospital confinement or nurse attendance are covered. If the injuries do not require an operation or create a disability, any medical expenses incurred, up to one week single indemnity, will be paid.

For women, the rate is 20 percent higher than for men.

The commutation clause that becomes operative at the end of 104 weeks of total disability, provides that an arbiter be appointed satisfactory to the company and assured who will decide upon a fair lump sum settlement, taking into account the life expectancy and the extent of the disability of the assured.

Protection may be purchased in any amount that the applicant desires, based upon the premium of \$7 per \$1,000 principal sum.

The principal Lloyds over-age contracts are known as K-1 which is for death or disability only and Lloyds K-3, which is for death, dismemberment and total and partial disability. The Lloyds K-3 contract, however, does not have the side features and it pays for only 52 weeks. The Lloyds K-3 contract takes a rate of \$60 for \$10,000 principal sum and \$50 a week.

The dismemberment benefits of the Ocean-Columbia policy are: For loss of both hands or both feet; one hand and one foot; sight of both eyes; one hand and sight of one eye; one foot and sight of one eye a sum equal to weekly indemnity for 200 weeks if the injury results from an ordinary accident and to 400 weeks if it results from a travel accident. For either hand or either foot benefits are the equivalent of 100 weeks' indemnity for ordinary accident, and 200 weeks for travel accident; for sight of either eye, the benefits are 65 weeks for ordinary accidents and 130 weeks for travel accident. For thumb and index finger the benefits are 50 weeks, ordinary accident, and 100 weeks, travel.

Plan Chicago Golf Outing

At a special meeting called by President Charles N. Dubach, Hartford Accident, the Chicago Accident & Health Association made plans for a golf tournament the week of June 21. W. W. Pierce, Massachusetts Indemnity, and

Truman S. Brewster, Monarch Life, are in charge. The next business meeting will be held Sept. 14. A sales congress is being planned for October with A. D. Anderson, Continental Casualty, and R. W. Abbott, Provident Life & Accident, in charge. A large delegation from the Chicago association is attending the national meeting in Milwaukee this week.

Dixie L. & A. Expanding

LITTLE ROCK, ARK., June 2.—Development of a sales organization that will be expanded to a personnel of 200 within 60 days is being directed for the newly organized Dixie Life & Accident by Frank N. Edenfield, supervisor of agencies, who has named five district managers and 80 salesmen. Former Mayor B. D. Brickhouse is chairman and G. H. Burden is president.

Kupersmith Joins Laclede Agency

W. R. Kupersmith has been made manager of the accident and health department in the Laclede Insurance Agency Company at St. Louis. He was a mariner and became quite efficient as a navigator. He gave up the sea and took the home office training course at the head office of the Aetna Life. He became connected with the Aetna Casualty & Surety, specializing on accident and health production.

Will Meet at Portsmouth, N. H.

The Federation of Commercial Men's Insurance Organizations, composed of the various traveling men's associations writing accident and health insurance, will hold its annual meeting July 6-7 at Portsmouth, N. H.

PERSONALS

A new agency help that should prove popular with motorists this summer is the 52-page tour book entitled "Aetna Pleasure Trails," just issued by the Aetna Casualty. The tour book is a larger, improved edition of its forerunner, "Seeing America With Aetna" which was issued several years ago.

Lithographed in two colors, the book is eight and one-half by 12 inches, and contains descriptions and maps covering a series of circular motor trips throughout the United States and Canada. Each of the 22 tours is designed for an approximate two-week's vacation. Suggestions are given for side trips as well as for combining the tours into long and short jaunts according to the fancy of the traveler.

M. P. Cornelius of Chicago, president of the Continental Casualty, has purchased a tract of 100 acres along Lac du Flambeau in Wisconsin where he has summered for many years. There are about 20 acres with a 750 foot frontage along the lake with virgin pines. This is one of the most attractive places on the lake. Mr. Cornelius is erecting a seven room house with all the modern accoutrements and equipment. He is a famous fisherman in that region and hence is well acquainted with the waters in that notable section.

Former Southern Surety employees in Des Moines will have a reunion in that city June 19. It has been arranged that all meet at machinery hall in the Iowa State Fair grounds at 2:30 p. m. and the dinner will follow at Younkers Tea Room at 6:30 p. m. W. M. McLaughlin, 304 Register & Tribune building, Des Moines, is general chairman.

Harry Fuller, deputy U. S. manager of the Zurich, is on an agency visit to the Pacific Coast and will return about June 10.

W. E. White, assistant vice-president and director of agencies Continental Assurance, and superintendent of agencies Continental Casualty health and ac-

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cident division, is in Los Angeles conferring with Harry Burford, vice-president, and W. E. Mast, manager life, accident and health department, California agencies. This office is California general agent for both companies. Mr. White spent time in the Pacific Northwest, visiting Leonard Greve, manager Pacific Northwest branch, Seattle; and F. H. Schroeder, Portland manager. In San Francisco Mr. White was presented at a luncheon results of production campaign in his honor conducted by Manager G. F. McKenna, Continental Assurance. C. A. Teasdale, resident vice-president of both companies and president California Agencies, was an honored guest. From Los Angeles Mr. White will visit agencies at Phoenix and Dallas.

Frank O. Sargent of the head office staff of the Employers Liability, with Mrs. Sargent and their daughter, sailed for England the past week. Mr. Sargent will attend meetings of the Employers' branches to be held in Scotland.

Frank M. Coffey, presiding judge of the Nebraska compensation court, was married at Marysville, Kan., to Mrs. Mary M. Reynolds, an employee of the court.

formerly in charge of the surety department of that agency in Los Angeles.

Safety Director Is Speaker

INDIANAPOLIS, June 2.—Donald F. Stiver, state director of public safety, discussed new motor and license laws at a meeting of the Indiana Casualty Adjusters Association and made a plea for all insurance company officials to cooperate in reducing accidental deaths. He reported an increase of more than 19 percent for the first three months. He outlined the law, effective in June, that will require all operators of vehicles involved in accidents with property damage in excess of \$25 to fill out forms prepared by the department within 24 hours after the accidents occur. Fines will be levied for failure.

The association's annual picnic will be held June 21.

Milwaukee Board to Elect

MILWAUKEE, June 2.—The Milwaukee Board of Casualty & Surety Underwriters will hold its annual meeting tomorrow evening. Prof. Hubert Greaves of Yale will speak. A general invitation is being extended to all local casualty men and to members of the Milwaukee Accident & Health Association.

FIDELITY AND SURETY NEWS

New Bond Reductions Made

Form for Bankers and Brokers and Building and Loan Associations Has Better Discount

NEW YORK, June 2.—Member companies of the Towner Rating Bureau have been advised of important rules and rates governing blanket bonds for building and loan associations, and/or for bankers and brokers forms of coverage; the new regulations being effective both as to new insurance and renewals on June 1.

As now provided investment banking houses and stock brokers take the same rate; the discounts for which have been increased from 30 to 40 percent. As forms 1, 2, 8 and 13, with or without riders, are no longer in general use, if any are continued under permission of the association, rates will be furnished upon request. A further concession granted is that it is no longer necessary to submit for specific rating bonds covering four or more branches.

Collects Premiums; No Bonds

J. W. Johnson, who has operated an agency at Sidney, Neb., for a number of years, committed suicide by poison a few hours after he had been released on bond following arraignment on a charge of obtaining money under false pretenses. The amount, \$2,625, represents three yearly premiums he collected on the county treasurer's bond without supplying a bond. Johnson wrote the treasurer's bond in the Fidelity & Deposit, of which he was then agent, in 1934. The county attorney says a recent audit of the treasurer's office disclosed that no valid bond had been written for the three following years, and that the only paper found was a renewal written by Johnson himself.

Surety Course in Los Angeles

LOS ANGELES, June 2.—G. O. Gray, insurance instructor of Los Angeles city schools, is conducting a course on bonds and suretyship at Belmont evening high school, under the auspices of the Surety Underwriters Association of Southern California. An enrollment of at least 1,000 is expected.

The schedule follows: June 1, Contract Bonds, by Don M. Ladd, Fidelity & Deposit, president Surety Underwriters Association of Southern California; June 3, Miscellaneous Bonds, C. E. Cole, Hinchman, Rolph & Ellis; June 8, Fidelity Bonds, R. S. Possinger, Aetna Casualty; June 10, Court Bonds, O. D. Brick, U. S. Fidelity & Guaranty; June 13, Fiduciary Bonds, A. I. Zimmerman, American Surety.

"Trusted" Bookkeeper Sentenced

NEW YORK, June 2.—Pleading guilty to the charge of embezzling \$57,824 from the Hold Meredith Lumber Co., of this city, by which she had been employed as bookkeeper, Mrs. Helen K. Harper has been sentenced to from three to six years in the Bedford Hills women's prison. News of the defalcation

last December created a stir in fidelity circles, and was used as the text of an address by John Brodsky of the Fidelity & Casualty, in stressing to brokers the need for fidelity coverage by business houses. Mrs. Harper was of the typical "trusted" employe type, and her honesty was never questioned. Her thefts, extending over several years, were not suspected until forged checks came to light, coincident with the sudden disappearance from town of the "trusted" bookkeeper.

Sureties and Golden Gate Span

NEW YORK, June 2.—Formal opening of the Golden Gate Bridge at San Francisco last Thursday recalls the interest of surety companies in the undertaking which is the largest suspension bridge in the world. Performance and labor and material bonds were issued in behalf of the various contractors. The total cost was approximately \$35,000,000. Nearly five years was required for its completion.

N. Y. Bids Exceed Estimate

NEW YORK, June 2.—When bids for the construction of the river tunnels and shafts of the Queens' mid-town tunnel were opened by the New York City Tunnel Authority, but two tenders were received. The Walsh Construction Co., of Syracuse, bid \$24,753,015, and Mason & Hanger Co., of this city, \$27,742,739. Both figures exceeded the earlier estimates, which was \$18,000,000. Whether new bids will be called for, or an additional appropriation sought, has not been determined.

Liquor Bond Bill Amended

The Michigan legislature appears likely to amend the liquor control act covering retail by-the-glass vendor bonds. Provisions permitting close relatives of an intoxicated person to sue for damages on the bond of the dealer selling that person drinks if his resultant condition brings about loss or injury to the family, have been added to a general amendatory bill approved by the house. The bill originated in the senate and must go back there for concurrence to amendments.

Postpone Bond Campaign

KANSAS CITY, June 2.—The fidelity bond production campaign scheduled by the Casualty & Surety Underwriters Association for this spring has been postponed until September. It will run through October, November and January. Baxter Brown, Fidelity & Deposit, is general chairman.

Chicago-Milwaukee Outing

The first joint outing of the Milwaukee and Chicago surety men has been tentatively set for June 29 in Milwaukee.

Kessler to Hartford Accident

J. P. Kessler has been appointed surety special agent at Los Angeles for the Hartford Accident. He is a son of J. P. Kessler of the Jensen & Kessler general agency, San Francisco, and was

Casualty Company Activities

Mutual Must "Show Cause"

Detroit Automobile Carrier's Attempt at Assessment Failed Michigan Department Says; Faces Receivership

LANSING, MICH., June 2.—Judge Carr of Ingham county circuit court has ordered the Central Mutual Auto of Detroit to show cause June 4 why a receiver should not be appointed to take charge of its affairs in accordance with a petition filed by the Michigan department.

Some time ago the judge consented to permit the mutual to attempt collection of a 25 percent assessment against its members in an effort to eliminate an impairment in its reserves. The mutual, resisting departmental wishes to place it in receivership or force its reinsurance, sought an injunction to prevent Commissioner Gauss from interfering in its affairs. The court reserved decision on the injunction petition after hearing and also on the department's intervening



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petition, thus giving the mutual's management time to make a showing with its assessment plan.

Department examiners, however, visited the mutual's offices within the past fortnight and allegedly discovered additional facts which brought a renewal of its effort to force a receivership. According to information provided the court by John Panchuk, assistant attorney-general, representing the department, only about \$1,000 has been collected on the assessment, some \$500 of which was paid in by a single taxicab line. Most members, it was learned, are ignoring the assessment order and defying the mutual to start suit. It was further shown that the mutual's disbursements from Jan. 1 to April 30 amounted to \$119,000 while receipts totaled only \$30,000, indicating that the carrier would be in extremely precarious condition unless immediate action were taken.

American Motorists' Action

The American Motorists of Chicago declared a capital stock dividend of 2 percent payable July 1. During the first part of 1937 the capital was increased from \$650,000 to \$750,000 to permit the addition of burglary and boiler and machinery to the lines written. Company officials say that they expect to start

writing these lines within the next 30 days.

Last year the American Motorists assets increased \$995,107 to \$6,698,723 and premium income rose \$451,427 to \$5,494,416. Surplus was increased \$104,112 to \$858,990 after the addition of \$50,000 to contingency reserves.

Mengelberg First Vice-president

W. R. Mengelberg who for a number of years has been manager of the underwriting department of the American Motorists of Chicago was made a first vice-president. He is a member of the governing board of the West Coast Automobile Conference.

Bebout Kansas City President

KANSAS CITY, June 2.—L. L. Bebout, resident vice-president U. S. F. & G., has been elected president of the Casualty & Surety Underwriters Association to fill out the unexpired term of Gordon Fisher, resigned. Mr. Fisher formerly was branch manager for the U. S. F. & G.

The Employers Inter-Insurance Exchange of Waco, Tex., has been licensed in Arkansas. It writes workmen's collective, liability, automobile, burglary, fire and tornado.

A PARADE OF Profits FOR PRODUCERS



Each day brings fresh evidence that 1937 will be a banner year for the representatives of the American Motorists Insurance Company. Armed with these salient selling features—the security of an impregnable financial structure, nation-wide claim service operating twenty-four hours a day and an unbroken record of substantial savings to policyholders—AMICO representatives are increasing sales and profits, consistently.

If you are looking for a bigger share of the automobile insurance available in your community you will be interested in the advantages American Motorists offers. May we give you more complete information—no obligation, of course.

AMERICAN MOTORISTS INSURANCE COMPANY
JAMES S. KEMPER, PRESIDENT

HOME OFFICE . . . CHICAGO, U. S. A.

WORKMEN'S COMPENSATION

Pennsylvania Solons Recess

Much Interest in the Measure Requiring Development of a Fund Where Companies Default

It was expected the Pennsylvania legislature would adjourn last week. At the eleventh hour, however, certain issues developed that made it desirable for the body to recess until June 1. Confidence is expressed that final adjournment will be effected within the next few days.

Speculation is being indulged in as to whether the measure proposing the creation of two funds, stock carriers to contribute to one and mutuals to the other, with a view to creating a reserve from which compensation losses would be paid in the event of default by the individual company liable, will pass. The proposed law is patterned closely on that enacted in New York state two years ago, differing, however, in that the Pennsylvania state fund would be forced to contribute, being classified as a non-stock organization. Under the New York statute the state fund does not contribute to either the stock or the mutual pool.

Acts Against Stop-Loss

LANSING, MICH., June 2.—Sen. George Weadock, chairman of the senate insurance committee, has introduced a bill in the legislature aimed at the operations of Lloyds in the stop-loss compensation field. It amends the present law to prohibit insurance contracts "which in whole or in part insures against any of the liabilities created by this act unless the insurance carrier shall have been issued a certificate of authority by the commissioner of insurance as provided by law, and the classification of risks and normal premiums relating thereto have been filed with and approved by the commissioner of insurance."

The bill is aimed to meet the attorney general's opinion that an agency connection must be proved in order to take any action against compensation advisory concerns which recommend use of such unlicensed facilities for stop loss coverage. Single risk excess or catastrophe coverage may be obtained from licensed carriers.

Limitation Is Upheld

OKLAHOMA CITY, June 2.—Constitutionality of the law authorizing the state insurance fund to write a combination workmen's compensation and employers liability policy with risks definitely limited, was upheld in an opinion by Attorney-general Williamson. The act limits the liability to \$5,000/\$10,000. Mr. Williamson ruled this is not in violation of a constitutional provision that no statutory limitation may be placed on the amount recoverable for a fatal injury.

Recognize Chiropractic Treatment

SALT LAKE CITY, June 2.—A decision of the Utah supreme court may compel the state industrial commission to recognize the services of a chiropractor in treatment of industrial cases. The court held services rendered by a chiropractor are included in the term "medical services," as that term is used in the Utah compensation act. Counsel for the industrial commission contended that, since chiropractors were not licensed to practice in 1917, when the compensation act was written, chiropractic treatment could not have been included in "medical services."

The Midwest Insurance Corporation of St. Louis has been incorporated by Joseph Yenicek, E. W. Borchertling, Bertha O. Yenicek and Margaret Borchertling.

Indiana Procedure Decided

Rules and Rates for the Occupational Disease Law Have Now Been Determined

NEW YORK, June 2.—Rules and rates for writing business under the new Indiana occupational disease law were determined at a meeting of the regional committee of the National Council on Compensation Insurance at Indianapolis. Under the Indiana law statutes enacted at each legislative session become effective upon proclamation by the governor, once the secretary of state certifies that a bound copy of the session laws has been received by the clerk of each county in the state, naming the date, hour and minute of the latest delivery.

It is anticipated the governor's proclamation, designating the time of the occupational disease law's application, will be issued some day this week.

California Referee Gets Job Back

SAN FRANCISCO, June 2.—W. J. Cullinan, referee of the California industrial accident commission, who was ousted two years ago by Commissioners T. J. Reardon and F. C. MacDonald on the grounds that he "abandoned his position" when they denied he had been granted a leave of absence, has been completely exonerated and reinstated. However, further legal action is likely to take place because of failure of at least one of these commissioners to put Cullinan back to work.

It is reported Commissioner Reardon, who as chairman has been at "outs" with MacDonald for months, has asked Cullinan when he was returning and then informed Cullinan that it is "up to MacDonald." The personnel board ruled Cullinan had been legally granted a leave of absence, that he had returned to work at the request of a commission official ahead of time and that within a few days he was ordered out on the grounds that the leave had been cancelled by the commissioners "illegally."

LEGISLATIVE • DIGEST •

Florida—Governor Cone has signed the bill relieving automobile owners of liability for injuries to guest riders.

Michigan—The Barrett house bill seeks to reduce from \$300 to \$50 the amount of an unpaid damage judgment which would bring about forfeiture of an autoist's driving privileges under the motorists' financial responsibility law.

The Stanley-Tomlin bill seeks to modify Michigan's guest passenger act by re-defining "gross negligence" to get around a narrow interpretation given that term by the state supreme court in test cases. The bill defines gross negligence as "reckless conduct, * * * either with or without wilfulness or wantonness."

California—The bill increasing the members of the industrial accident commission from three to seven commissioners, which passed the assembly, was killed by the senate finance committee.

Open with Accident—Sell your prospect an accident policy to get acquainted and pave the way to other sales. For sales suggestions read *The Accident & Health Review*, A-1946 Insurance Exchange, Chicago. Sample copy 10 cents.

National Board Goes Into Its 72nd Year With Vigor

(CONTINUED FROM PAGE 5)

Badger of the Pacific Board. A visitor was J. K. Woolley, manager Washington Surveying & Rating Bureau. Assistant General Manager Lum of the board, who has been on the coast sufficiently long to qualify as a native son, yet appreciates getting back home once a year. The supervising official on hand was Commissioner J. B. Moor of the District of Columbia. Former Commissioner J. Victor Barry of Michigan was in attendance as was Jesse S. Phillips, former head of the New York department and now chairman Great American Indemnity. Among those from western territory were J. C. Harding, executive vice-president Springfield; Ernest A. Henne, vice-president America Fore; A. F. Powrie, western manager Fire Association; F. H. Hawley, president Ohio Farmers, and R. B. Duboc, president Western Fire of Fort Scott, Kan.

Gayle T. Forbush, former United States manager Royal Exchange; W. L. Steele, former vice-president Niagara Fire, and C. L. DeWitt, former assistant United States manager Eagle Star, took advantage of the occasion to meet old friends.

A noteworthy incident was the introduction by President Koeckert of F. O. Affeld, the 95 year old former United States manager of the Hamburg-Bremen, which ceased doing business here upon the entry of this country into the world war. Though he retired years ago Mr. Affeld continues to attend the gatherings of the Board.

The presidential message of Mr. Koeckert was a lofty expression of ideals and purposes, as well as containing the highly interesting figures on experience of National Board companies last year.

The urgent problem today, he stated, is to maintain unimpaired the tradition of leadership in the world of American business which the stock fire companies

enjoy. Those institutions must obtain a more conscious and positive acceptance of this leadership on the part of all classes of the people, a clearer appreciation of what stock fire insurance stands for in the national economy and general recognition of stock fire insurance as the true source of the most important contribution property insurance has made to the wellbeing of society.

A difficulty, he said, is that the very uniformity with which the stock companies have maintained their services and met their obligations under all conditions has in a sense led to their just being taken for granted by the public as not requiring particular attention or study from the standpoint of the underlying principles that have guided them and made them what they are.

Net premiums written on straight fire business by 197 stock companies in 1936 amounted to \$371,389,385, he reported. That compares with net premiums of \$381,686,210 written by 196 companies in 1935, decrease 2.7 percent. Net losses paid in 1936 were \$153,355,460 against \$137,049,393 in 1935, increase 11.9 percent. Expenses last year were \$186,233,566, as compared with \$187,411,434, decrease .63 percent. Last year there was an excess of income over disbursements on fire and lightning account of \$31,800,359, whereas in 1935 the excess was \$57,225,383.

Earned premiums in 1936 were \$373,876,326, decrease 1.75 percent. Losses incurred were \$153,969,272, increase 14.05 percent. Expenses incurred last year were \$184,393,610, decrease 2.42 percent. The underwriting credit balance last year was thus \$35,013,444 or 9.37 percent of net premiums earned. In 1935 the same balance was \$56,056,983 and in 1934 it was \$47,519,370.

Mr. Koeckert predicted that there is every reason to expect a further decline in underwriting profit until something like the former averages are restored. "It is scarcely necessary," he declared, "to point out the bearing this has upon the question of the justification for such reductions of premium rates as are clamorously demanded in various quarters."

In the depth of the depression, Mr. Koeckert recalled, the public found the National Board companies prepared to give the full measure of their accustomed service. "It found them meeting every obligation to the letter; and it has seen in them a haven of refuge in a terrifying storm." All the collateral services have been fully maintained, notwithstanding the pressing need for economy, he observed.

Mr. Koeckert said that the early developers of the business always had in mind the idea of making stock insurance an institution about whose solidity and dependability the people need never have a serious doubt. This required unremitting effort to remove or reduce to a minimum the incalculable and speculative elements in the operations. The idea that fire underwriting is by its nature speculative, that risks have to be guessed at and that the possession of the wherewithal to meet losses had to be left to happy chance or to runs of luck had to be completely done away with. The National Board has devoted its best energies to accomplish that ideal.

Frank D. Layton, president of the National Fire, presented the report of the executive committee. This referred to the fact that the Underwriters Laboratories had been reincorporated as a not-for-profit organization under the Delaware laws. In the resolution authorizing this change, it was pointed out that the purpose of the National Board has always been that the amount which it has contributed to Underwriters Laboratories should be deemed contributions in aid of its work, not loans to be repaid nor investments, and that any profits made in the course of operations should be used in the development of Underwriters Laboratories and the extension and enlargement of the services.

Mr. Layton also acquainted the membership with the fact that a resolution had been adopted governing the liability to assessment for costs of those com-

panies that are not general members of the National Board but subscribe only to the law committee activities and to the actuarial bureau service.

J. M. Thomas, president National Union Fire, publicity chairman, recommended further expansion of public relations activities and supplementing these with a conservative advertising program. Heretofore the appropriation for advertising has been very limited, he said, and the group is now asking for more money and is engaging a public relations counsel. He said the National Board needed a permanent division of the public relations department on research in order to keep abreast of the times in adapting stock fire insurance to changing economic trends. Some well selected public relations advertising which would acquaint the public with stock fire services and methods as well as its relation with industry and security is needed.

Definite plans for increased advertising activities will be announced soon. The National Board should take the leadership in this campaign, the committee believes.

J. F. Gilliams, vice-president Camden, chairman fire prevention and engineering committee, reported greatly increased activities of the technical and conservation staff. Revival in business and construction industry has developed new problems in the fire prevention field, he said. He cited gains made in engineering, school and club fire prevention activities and increased requests for study material, such as pamphlets and special bulletins. The report paid special attention to the earthquake, windstorm and petroleum fire hazards. New construction recommendations will be got out shortly, dealing with windstorm hazards in the south.

The report of the Underwriters Laboratories was tendered. The National Fire Protection Association report was also attached.

While the rise in fire losses during 1936 is not disturbing, the records for

the last 62 years indicate the upward curve is more sustained than the downward trend, F. W. Sargeant, president New Hampshire Fire, chairman committee on statistics and origin of fires, reported. He cited the increase of 10.8 percent in per capita fire loss for the United States in 1936.

The committee headed by R. R. Martin, United States manager Atlas, chairman actuarial bureau committee, reported a marked increase in claims during 1936, but a reversal of the upward percentage trend of small claims. This probably reflects an increase in replacement costs, he said.

F. C. White, vice-president Hartford Fire, was chairman of the law committee.

There was a maze of legislation to study during the past year. Chief problems have been taxation and the right of a company to place reinsurance in companies which are not admitted in states in which the primary carrier does business. He said it is imperative that constitutionality of the Ohio law which prohibits such action be tested.

The adjustment committee, headed by O. E. Lane, president Fire Association, reported satisfactory developments in arbitration work. The committee has asked the Eastern Loss Executives Conference to draft a uniform "notice of loss" and submit it for consideration and recommendation to the companies.

The report of the committee headed by Victor Roth, president Security of New Haven group, on construction of buildings showed little progress had been made toward enactment of new building codes in large cities. Prospects of enactment, particularly in smaller cities, appear favorable but in most of the large municipalities codes have struck snags, he said. The quality of proposed building codes has been fairly good. The report recommended enlarging the staff by addition of an engineer to maintain direct contact with municipal building officials and building code committees.

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DE CELLES CASE UPSETS LEGISLATORS

(CONTINUED FROM PAGE 21)

did so, just previous to the time the commissioner petitioned the Commonwealth Mutual into insolvency last December, according to evidence Mr. DeCelles gave the legislative committee. "I didn't scare that easy," declared the commissioner and he went ahead with his petition.

Later in his testimony the commissioner charged that the witnesses previously heard had all been coached by an attorney for the company, and asked to name the attorneys the commissioner stated Charles Griffith of New York and Samuel Silverman of Boston had both been coaching the witnesses and in addition that Silverman, who was for a time counsel for the company, had threatened him, the commissioner, with an investigation if he closed the company. The commissioner added that Silverman had also threatened to involve Gov. Hurley in the case.

On Stand Three Days

Mr. DeCelles was on the stand for three days and expects to take at least four days more to put in his testimony and defense against statements made by previous witnesses. Asked why he had not given much of the evidence at his first appearance before the committee relative to many matters, the commissioner said he was unable to do so as he had just risen from a hospital bed and an operation and had no time to gather the material. Much of the evidence, moreover, had been secured since he appeared first before the committee four weeks ago.

Another sensational bit of evidence presented by the commissioner was to the effect that former Gov. Curley had been offered the job as president of Commonwealth. The commissioner testified the governor's brother gave him the information and had added that the

governor was not interested. The offer was to take effect upon the governor's retirement from the governor's chair and his defeat as candidate for senator.

Mr. DeCelles took up the record of Latshaw, who was underwriter and general manager for Commonwealth, with a view of impeaching his credibility as a witness. He presented evidence to show that Latshaw was an assistant accountant in the Pennsylvania department and resigned to become vice-president of the Penn Surety Corporation; that he borrowed \$7,000 from the company soon after entering it and gave only his unsecured note for the amount; that later he issued a statement of the company's condition which later proved to be \$3,000,000 in error when the company was put into receivership.

Cancellations Dated Back

That Latshaw, while manager of Commonwealth, gave orders to have cancellations on policies dated back for the benefit of the finance company was brought out by copies of several score of cancellation items which the commissioner gave the committee, together with personal notes signed by Latshaw, instructing the office girl to date back the cancellations. The finance company benefitted considerably in this way, stated the commissioner.

"And now," added the commissioner, "the Massachusetts Association of Insurance Agents has engaged Mr. Latshaw as manager."

The commissioner brought out that early in the life of the company, less than a month after its start, Latshaw, J. Horace Shale and Maurice D. Adams had sent out proxies in their own names to policyholders, it being the intent, as Latshaw stated to the commissioner, to hold a special meeting to take control of the company, although the annual

meeting did not come until October. The commissioner called attention of Latshaw and the others that the proxies were in violation of the law as they were issued by an officer of the company for himself to act as proxy.

The commissioner associated Shale with Latshaw in the Penn Surety and Maurice D. Adams, treasurer of the insurance and finance companies, with the Metropolitan Auto Mutual in New York, Shale also having been once connected with the latter company. It was significant, stated the commissioner, that these three men were next found together in the Commonwealth, indicating that they were Cohen men. From the New York department the commissioner testified he learned that Adams' name was originally "Abrams" and that he was of Russian descent, and not from the famous Boston family of Adams as had been represented during the early life of the company.

Presenting the result of his investigations in an attempt to show "Count" Luigi G. Castelli was not a real count, which proved rather of a negative character, the committee announced it had received a number of letters, from the New Jersey Gas Light Utility and prominent New York City men, testifying to the character and efficiency of Castelli, and speaking highly of him.

The name of Justice Aaron Levy of the New York supreme court was brought into the case by the commissioner who stated it was his belief then and now that Levy was closely associated with Frank Cohen in many enterprises, financially or otherwise, and that the relationship involved insurance racketeers and a group which was concerned with bootlegging and white slavery gangsters. However, later, Judge Levy came to Boston and DeCelles had a late evening conference with him and Counsel Griffith of the Commonwealth at a local hotel to see what could be done to save the company. The conference was held the night before the petition was filed by the commissioner against the company. The commissioner declared he told Levy that it would take \$100,000 to put the company on its feet to go ahead, but that the money would have to be a gift and have no connection with Cohen.

Competition Aid in Casualty Is Asked

(CONTINUED FROM PAGE 21)

assuming residence and sports hazards, are written for a term at three annual premiums, less 10 percent, if paid in cash in advance. In a number of states the 10 percent allowance is granted as well, if premiums are paid on a deferred 50-30-20 percent basis. In New York the department permits but a 5 percent reduction under deferred payments. It allows 10 percent for full advance payments. Residence liability and sports liability policies are written for term upon payment of 2½ times annual premium. Agents ask the casualty companies to apply the fire term rule of 2½ times the annual charge to all general liability covers.

Association rules now forbid writing construction, products liability and several other risk classifications, upon other than an annual basis.

Automobile public liability and prop-

erty damage cannot be written upon other than an annual basis. Experience changes markedly from year to year, and states require rates be predicated upon loss and expense experience of the most recent period. Company officials say it is out of the question to bring the time limit within which compensation risks are experience rated to a narrower period than that now employed. The experiment of including the nine months immediately preceding the policy expiration period was tried some years ago, and promptly discarded as wholly impractical.

In support of their opposition to a reduction of the experience period, company officials declare it is wholly misleading to include loss cases reported within such narrow limit. They point out that time is required to determine the probable liability under reported claims. Any attempt to estimate the seriousness within three months would make the experience record the product of mere guess work, rather than a reasonably safe rating formula.

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Limits of 5/10 Can No Longer Be Considered Safe

Automobile liability limits of \$5,000/\$10,000 can no longer be regarded as adequate with the frequent high verdicts that are being rendered and the proportion of such judgments that are upheld upon appeal. Aetna Life furnishes these examples of settlements that would not be covered under the 5/10 policy:

Assured's chauffeur was driving slowly through the main street of a small Louisiana town. A woman crossing between cars going in the opposite direction walked into or was struck by the left side of the defendant's car. She received a broken leg, a broken arm, a broken nose and numerous bodily contusions. Through her attorneys she later made claim for \$2,381 in reimbursement of money paid for medical, surgical, hospital and nursing expenses and for \$25,000 damages. Suit was later brought for this total.

The court gave a judgment of \$5,000 for damages sustained plus expenses incurred and court costs. Whereupon the Aetna appealed the case to the court of appeal, first circuit. Judgment was given at that time for \$8,481 plus interest of \$559, court costs of \$634 and witness fees of \$403. Obviously the cost of defense ran to a considerable sum.

The assured's wife and her sister-in-law were driving from Hot Springs to New Orleans. A blow-out occurred while the car was traveling at high speed. The car left the road, hit a culvert, rolled over and over, recrossed the road and finally stopped 200 feet or more farther on. The sister-in-law was taken to a hospital where she died the following day. Suit for \$15,000 was brought by the husband of the deceased. After negotiations, settlement was effected for \$10,000.

The assured, a New Orleans physician, was driving his car on a rainy November morning. An ice truck was parked diagonally at the curb, the ice-man standing at the rear. The doctor's car skidded and crushed the ice-man between the vehicles. At the hospital an emergency amputation was performed but the patient died. His heirs later brought suit for \$40,000 and a jury brought in a verdict of \$15,000. The limit of coverage was \$10,000. It was decided to appeal and the Aetna furnished an appeal bond for its share of the judgment. The assured, who had an attorney to represent him in his excess liability over the policy limit, furnished a personal appeal bond to cover the excess judgment of \$5,000. The court of appeal confirmed the previous verdict and the Aetna paid \$10,000 plus \$1,100, costs and interest. The balance, \$5,000 plus proportionate share of the costs and interest had to be borne by the underinsured automobile owner.

The policyholder in this case is an Oklahoma corporation. One of its cars driven by a salesman was allegedly crowded off the road on a curve. It struck a car which was parked side of the road because of a flat tire. Two persons were standing at the rear of this car; one was killed and the other severely injured. The Aetna paid \$8,000 in settlement of one and \$12,000 for the other.

An oil truck owned by the assured side-swiped slightly a passenger car at

an intersection. The only visible damage was a dented fender and hub cap. The young ladies in the passenger car got out to look at the damage and assured the truck driver that neither was injured. Yet a few days later one of them collapsed while at work and was taken to a hospital. X-ray pictures and other examination revealed a serious condition which resulted in a combination of hysteria and partial paralysis. Suit was brought on her behalf and the claim was settled by agreement for \$10,000.

Assured's truck collided at an intersection with a passenger car. One of the occupants was severely injured and suit was later brought for \$50,000. After long negotiations settlement was effected for \$10,000.

In a collision between two cars on a curve six occupants were injured and one killed. Suits totaling over \$320,000 were filed. Cases came to trial with verdicts and settlements of \$5,000, \$8,000, \$11,200, \$3,435, \$2,435 and \$430—a total of \$32,500.

Chance to Give Service to HOLC Mortgageors

While the furor over insurance on property mortgaged to the Home Owners Loan Corporation has died down, premiums on these properties are an important item in many agencies and field men are frequently called upon for advice regarding handling of this coverage. There are a number of points which are not clear to many agents and assured and field men have often been able to increase their writings by explaining them.

Many having property do not realize that if they permit HOLC to place the insurance, paying the premium to the HOLC, they are charged 6 percent additional on the amount of the premium. This is classed as an "advance" and

according to the mortgage contract on an amount of this nature, although it may be paid immediately, the mortgagor pays a 6 percent charge on the insurance premiums as well as on taxes or other amounts which the HOLC subsequently bills to the mortgagor.

If the mortgagor does not insure, or, if he requests the HOLC to do so for him, the office of the HOLC will turn over the insurance to the representative of the stock companies or the mutuals, depending on where it was previously placed, who then writes the insurance in the company in which it was formerly carried, billing the premium to the HOLC.

As the HOLC requires insurance only to cover amount of the mortgage with increasing property values and reduction in amount of loans, the insurance carried often does not provide adequate protection for the owner. Alert agents call this to his attention. In many cases they can increase the insurance from \$3,000 to \$7,000 or more so that the owner's equity in the property is protected, as is the HOLC's mortgage interest. Some agents neglect to do this and miss the opportunities for added premiums.

Most Stock Carriers in Line

Practically all the stock fire companies entered into the agreement providing that the regional office of the HOLC would turn over such insurance to their representative for writing when the owner of the property does not place the insurance, but some of the larger mutuals have not done so. It is understood comparatively little HOLC insurance is now carried in mutuals. One large mutual in the middle west did not see fit to participate at all.

One of the regional offices of the HOLC reports interest on mortgage payments are up to date on 76 percent of their loans. Of the balance, 14 percent, is in arrears only about three months or less. This leaves only 10 percent now in arrears for more than three months.

"I believe the F. C. & S. BULLETINS will fill a great need," says one man from Tennessee. And this is exactly what we believe this service is doing—FILLING A GREAT NEED. Write The National Underwriter Company, 420 East Fourth street, Cincinnati, O., for full information without obligation.

Safe Depositary Good Line

A coverage which takes considerable study for its sale is the safe deposit liability policy for banks, trust companies and safe deposit corporations. The contract has a wide scope and companies follow careful underwriting policies, doing business only with well established firms that are properly equipped in safeguards against burglary and robbery.

Many Fake Claims

This contract protects banks and similar institutions against loss through legal liability to renters of safe deposit boxes. It is the only contract of this sort available, other bonds and policies having various limitations. In addition to covering the liability, it provides for investigation of all claims for alleged loss and defends the assured in any damage suit, and if the case is lost, the assured will be reimbursed for any damages he has to pay, up to policy limits.

While banks and safe deposit companies exercise extreme care in letting people have access to their boxes, occasionally valuable objects are damaged

or securities lost, and many times the box renter will try to reimburse himself by holding the depository responsible. Many claims have been made upon mysterious disappearance of valuables from safe deposit boxes, usually alleging dishonesty or negligence on the part of the institution. Occasionally unauthorized entry to the box is claimed, or negligence on the depository's part in case of burglary.

In most of these cases the depository is innocent. However, to establish proof of this is often a long and expensive process, usually the uncertain factor of a jury verdict being involved. The insurance company will not only see to the defense of such a suit, but will do some detective work in advance to see if the claim is spurious. A depository cannot afford to have its good name injured by publicity based on a false claim. The company's investigation feature is perhaps the most valuable part of the policy, since it prevents the depository from being forced to pay on a trumped up case in preference to publicity that might prove injurious.

ANSWERS

By J. C. O'Connor, Editor

National Underwriter's F. C. & S. Bulletin

Question:—I wish to write a personal property floater for an assured. He has fire, burglary and personal effects, floater policies expiring at different times. Is there any way that I could handle this so as to save him a short rate cancellation?

Answer:—It is not necessary to cancel existing policies in order to write the personal property floater. The floater may be endorsed to show the existence of these policies and full credit is given for the unearned premium on them. The policies may be allowed to run to expiration and at that time the personal property floater will pick up the coverage which they give. In that way, there is no necessity for penalizing your assured by short rate cancellations or for embarrassment in returning policies to other offices for cancellation.

Question:—Does the personal effects floater cover theft of property from automobiles? What is the best way to cover this hazard?

Answer:—The personal effects floater does not cover loss or damage caused by theft or pilferage of property while left unattended in or on any automobile, except when the automobile is in the custody of a common carrier, unless the automobile is equipped with a fully enclosed body, all windows, doors and trunks, if any, being securely locked and the loss is a direct result of a violent, forcible entry of which there is visible evidence. Liability under these circumstances is restricted to 10 percent of the face of the policy and not more than \$250 for any one loss. If the doors are not locked, and there is no evidence of forcible and violent entry, there is no coverage at all.

This exclusion may be removed for a flat additional premium of \$10.

If the personal property floater is permitted in your state, this will cover the assured against theft from unattended automobiles, without any restriction, in addition to all the other broad features of this contract.

SALES IDEAS OF THE WEEK

Insuring Farm Premium

Farm agents are being quite successful in having an endorsement placed on the farm policy insuring the premium, the rate being one-half the average rate of the entire insurance carried. This insurance can be written if a farmer is paying on either the installment or cash plan. It often softens antagonism in case of a loss. Where a farmer, for instance, has got a five-year policy and a loss occurs early in the life of the policy, he is inclined to be antagonistic if he finds the unpaid installment premiums are deducted from the claim or if he has paid cash and gets no refund. Therefore farm agents see great value in insuring the premium, which is inexpensive, thus eliminating cause for friction. If there is a partial loss and the face value of the policy is restored, the assured, of course, must pay an additional premium on a prorata basis.

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FIRE INSURANCE NEWS BY STATES

MIDDLE WESTERN STATES

Senate Passes Michigan Bill

Success of Qualification Measure Brightens Hopes of Its Final Enactment—Covers New Agents

LANSING, MICH., June 2.—The ease with which an agents' qualification measure passed the Michigan senate brightened hopes of its sponsors for enactment. It was passed unanimously after emerging from the finance and appropriations committee with a minor amendment to which it had been referred after receiving approval of the senate insurance committee. The latest committee change turns receipts from the \$5 application fee charged new applicants for licenses directly into the state's general fund and does not allocate such funds for use in defraying departmental expense in administering the act. This might bring about opposition of the department were it not for the fact that legislative leaders have agreed to insert an additional \$2,500 in the annual department appropriation to take care of this added expense.

House Support Expected

Senator Wickstrom, a member of both insurance and finance committees, steered the bill through the latter. Support of house insurance committee members in speeding action on the measure in that chamber has been assured.

The bill is not an extremely stringent one in that it does not apply its mandatory examination provisions to persons now licensed. All new applicants for fire and casualty licenses, however, would be required to submit to written examinations conducted by the insurance commissioner. Its terms might be extended at the commissioner's discretion to renewal applicants or to life agents.

The Michigan Association of Insurance Agents has been an ardent exponent of the bill.

Michigan department officials approve a bill sponsored by Chairman Mullen of the house insurance committee, providing that all farm mutuals would abandon eventually the practice of collecting assessments at the end of each year after losses have occurred. The Michigan Association of Mutual Insurance Companies is said to favor the bill.

Stock Company People Are Aggressive in Minnesota

ST. PAUL, June 2.—Stock company representatives in Minnesota are more aggressive this year in combating mutuals and reciprocals than ever before, carrying the fight to the door of business firms which in recent years have forsaken stock companies for mutual coverage.

The Eveleth Association of Insurance Agents, on the Minnesota iron range, has sent out a letter to buyers of mutual and reciprocal insurance. E. C. Huhnke, chairman executive committee Minnesota Association of Insurance Agents, has suggested other boards in Minnesota employ similar tactics.

S. C. Aldridge, president of Minnesota association, has been making a study of consumer cooperatives and their effect on established business firms. At a meeting of the Minneapolis Insurance Women's club June 21 Mr. Aldridge will speak on this subject.

Cooperative Agency Organized

MARSHFIELD, WIS., June 2.—Organization of the Insurance Cooperative Agency, recently incorporated at

Madison, was completed at a meeting at the National Cheese Federation warehouse here. Officers are C. F. Claffin, Milwaukee, manager Equity Cooperative Livestock Sales Association, president; J. S. Bardner, Madison, vice-president, and A. J. Green, Madison, secretary-treasurer.

The agency has been formed to handle general business for Wisconsin cooperative associations. Articles of incorporation, filed with the Wisconsin secretary of state at Madison in April, place capital stock at \$10,000. The agency will handle insurance needs of cooperatives only and place the business with mutual and cooperative companies as far as possible. The principal lines written are fire, trucking and similar coverages for cooperative purchasing associations, dairies, creameries, cheese factories and similar groups. Life insurance may be added later. Memberships in the cooperative agency will be sold at \$25 each.

Regional Meeting at Eau Claire

A regional meeting of the Wisconsin Association of Insurance Agents for local agents in northern Wisconsin to be held in Eau Claire, June 8, has been announced. President H. A. Bird has appointed Willard Jackson, Eau Claire, member of the state executive committee, as chairman on local arrangements. Byron Olinger, Milwaukee, state agent Connecticut Fire, will discuss Consumer Cooperatives. Previous regional meetings were held at Madison and Fond du Lac.

Cut Down Nebraska Licenses

LINCOLN, NEB., June 2.—Slightly in excess of 20,000 agents' licenses had been issued to June 1 by the Nebraska department, about 5,000 less than at that date in 1936. Hundreds of names on lists submitted by the companies carry notations of "insufficient business," with a request that licenses do not reissue. Director Smrha says there are other indications of a more or less concerted movement to weed out unprofitable producers in all lines, and that company officers are more and more inclined to contract only with those who have taken training or are willing to invest in the cost of training.

F. S. Stewart Joins Wood Agency

Fred S. Stewart, who until recently was assistant manager of the Pearl group in the Chicago western department, has now become associated with the Thomas E. Wood agency of Cincinnati. He went with the Monarch Fire of Cleveland when it was organized in 1930, and remained there until the western department of the Pearl was organized when he was transferred to Chicago as assistant manager. Prior to his connection with the Monarch, he was chief underwriter in the western department of the Boston and Old Colony in Lansing, Mich.

Outing at Freeport, Ill.

Some 40 or more insurance men of Freeport, Ill., members of the Freeport Country Club will entertain about 200 guests at a golf tournament and dinner June 9. This is an annual event.

To School Watchmen

Cincinnati's fire department is planning a watchmen's fire prevention training school in the fall. Such courses have been held in several cities, among them Chicago and Dallas, with satisfactory results. Watchmen are told what to do in case of fire, and instructed in elementary fire safety work and the

operation of fire extinguishers and sprinkler systems. This work is considered important because watchmen are in sole charge of high value risks for many hours of the night. Their actions upon discovery of fires frequently determine the extent of the fire.

Speak at Iowa School

At the annual Iowa Fire School at Ames, speakers included H. J. Corcoran, chief engineer Iowa Insurance Service Bureau; Gifford Cook, engineer National Board; J. Burr Taylor, Western Actuarial Bureau, and J. Vincent Pyle, Iowa state fire marshal.

Indianapolis Office Expands

The growing business of the Indiana Insurance Company and the Cooling-Grumme-Mumford Company general agency, which use the same office quarters, has made necessary additional floor space. In October, 1935, they took over the entire third floor of the Consolidated building in Indianapolis and have now taken over approximately one-third of the fourth floor, to which the claim departments of the company and agency have been removed.

The entire claim force of full-time salaried men operating in Indiana was called in to participate in a celebration of the opening of these new offices.

Set Minnesota Meetings

The next meeting of the Southern Minnesota Regional Association of Insurance Agents will be held June 15 at Albert Lea. The Range association will meet July 8.

Duluth Group Broadcasts

The safety committee of the Duluth, Minn. Underwriters Association is sponsoring a broadcast over a local station three days a week. "Automotive Safety Talks" by C. J. Strickland, president Automobile Safety League of America, are used. Bert Wheeler is chairman of the Duluth committee in charge.

Keenan Is on the Circuit

C. A. Keenan, New York, general agent Commercial Union group, has been on a middle western trip. He visited

Harmful Insurance Bills Held in Check in Ohio

COLUMBUS, O., June 2.—A recapitulation of the Ohio general assembly's regular session shows that not a single bill harmful to the insurance business was passed. Credit for this is given to vigilance of representatives of various insurance organizations and to the Ohio division of insurance.

The Ohio legislature will hold a special session on June 15. The appropriation bill will come up for action and it is possible that other measures affecting insurance and taxation may be considered.

At the regular session the legislature refused to pass a bill which would prohibit coercion in the sale of automobile insurance and also refused to establish compulsory automobile liability insurance. The guest liability law was left unchanged, and a move to create a fund for compensating those injured or killed in automobile accidents failed. Hospital associations will not be permitted to operate throughout the state without being supervised by the division of insurance, and the office of state fire marshal will be retained. School boards will not be permitted to purchase liability and accident insurance, and the movement to permit savings banks to establish insurance departments collapsed, but it is declared that this will come up again and the opinion has been expressed that in the course of time such a measure will be enacted. The division of insurance will have to get along without a bureau of inspection, and juries will not be permitted to determine the question of "assured clear distance."

Minnesota and Wisconsin, and conferred at the Chicago office before returning to New York.

Valparaiso Outing June 10

The annual outing of the Valparaiso, Ind., local agents is to be held June 10 at Blackhawk Beach, Flint Lake. There will be a reception the preceding evening.

IN THE SOUTHERN STATES

Show Florida Fire Perils

State Institutions Are Facing Potential Disaster of Great Magnitude, Officials Are Warned

TALLAHASSEE, June 2.—In connection with a movement to finance adequate fire protection at the Florida state insane hospital at Chattahoochee, Representative Code told the legislature that under present conditions a potential disaster exists that would be far greater than the Texas school holocaust. N. J. M. MacLean, of the MacLean Engineering Co., Tallahassee, reported to the governor and members of his cabinet that after inspection of state properties, fire protection is inadequate at all places, and particularly at the university at Gainesville, the state college for women at Tallahassee, the A. & M. college for Negroes at Tallahassee, the deaf and blind school at St. Augustine and the girls' industrial school at Ocala.

He advises curing the situation in the next two years as an imperative necessity. Insurance now carried by the state on the properties particularly stressed by Mr. MacLean follows: University, state fund, \$2,801,874, companies, \$574,525; college for women, state

fund, \$1,793,502, companies \$528,375; Negro A. & M. college, state fund, \$604,573, companies, \$118,250; deaf and blind school, state fund, \$623,100, companies \$26,000; industrial school for girls, \$126,525, all in state fund.

Department Bills Approved

OKLAHOMA CITY, June 2.—Commissioner Read of Oklahoma has voiced satisfaction over the legislative results. Five bills, sponsored by the insurance department, received favorable action. The increased appropriation for operating expenses will enable his office to function more satisfactorily. However, he is dissatisfied with the reduction of the state insurance board's appropriation from \$11,150 to \$8,550.

Another new law limits the right to ask for receivership for insurance companies to the insurance commissioner, which will prevent the former annoyance to companies due to threats of attorneys to take this action in connection with claims.

H. B. Savage Retires

LITTLE ROCK, June 2.—Now 76 years old, H. B. Savage has retired from active duty as chief of conservation Arkansas Fire Prevention Bureau and



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editor of "Safeguarding Arkansas Against Fire," its official monthly publication. He expects to divide time between preparation of newspaper articles on fire prevention and his kennel of fox terriers.

Mr. Savage was for many years editor of a daily newspaper at Belton, Tex., and chief of the volunteer fire department there. He was with the Texas Fire Prevention Bureau three years and in 1920 went with the Arkansas bureau. The publication, "Safeguarding Arkansas Against Fire," has suspended after 205 consecutive issues.

W. F. Richardson, chief actuary in charge of the division of rates, has also retired. He has been with the bureau 20 years, and has served as a rate expert for 34 years, with the Chicago Board and the Indiana, Illinois, Iowa, Missouri and Arkansas rating bureaus. He has been in charge of the division of rates for the Arkansas bureau since 1918.

COAST

Has Plans for Three States

Washington, Idaho and Oregon Local Agents Associations Will Meet Early in August

SEATTLE, June 2.—The three Pacific northwest state local agents associations this week completed arrangements to hold their annual conventions on successive dates the fore part of August. Concluding negotiations with the National Association of Insurance Agents and the Business Development Office the Washington, Oregon and Idaho associations were thus able to secure both W. H. Menn of Los Angeles, executive committee member of the National association, and F. S. Dauwalter, director of the Business Development Office, as headline speakers. It was announced this week that Mr. Dauwalter will make a circuit speaking tour of several states, starting at Utah, thence to Wyoming, Idaho, Oregon, Washington and Montana. He will be joined at Boise Aug. 2-3 by Mr. Menn, speaking first at the Idaho annual meeting. The Oregon convention will follow at Medford, Aug. 5-6 and the following week the pair will be at Tacoma for the Insurance Agents League of Washington convention Aug. 12-13.

Oregon set its convention dates at a recent meeting of the executive committee in Marshfield, Earl S. Tumy, president of the Jackson County Insurance Agents Association, extending the invitation. President Robertson then announced that Boise had been selected for the Idaho convention and that he expected the executive committee to approve the convention dates of Aug. 2-3. The Washington convention had previously been set for Aug. 12-13.

California Agents to Meet

Series of Regional Gatherings Is Scheduled; Annual Convention to Be in November

SAN FRANCISCO, June 2.—The annual meeting of the California Association of Insurance Agents will be held in Hollywood the first week in November, following the meeting of the National association, if present plans are carried out.

Approval was given to the series of regional meetings which are to be held commencing in Fresno, June 14. Other meetings scheduled at strategic points are: Merced, June 15; Chico, June 16, noon; Vallejo, June 16, night; Oakland, June 17; San Mateo, June 18, noon, and Watsonville, June 18, night. These will cover the entire northern section of the state. G. C. Appleton, president, will preside.

Meetings for the southern section at which D. B. Goldsmith, vice-president,

South Carolina Chief Is Prominent in Agency Work



JAMES H. WOODSIDE, Greenville

James H. Woodside, secretary and general manager of the Greenville, S. C., agency of James H. Woodside & Co., becomes president of the South Carolina Association of Insurance Agents. He has been prominent in the state body and has taken an active part in South Carolina activities.

will preside, will commence at noon June 23 at Long Beach; Santa Monica, June 23, night; Fullerton, June 24, noon; San Bernardino, June 24, night; San Diego, June 30, night, and conclude at Santa Barbara July 8. Frank Colridge, executive secretary, will give a resume of legislative activities and accomplishments at each.

Another important matter will be the educational course which is to be sponsored by the local associations, the program for which has been approved by the board. This course, open to association members and any others interested, will commence this fall and will require 25 meetings of approximately an hour and a half each. In this work the association will ask field men to serve as instructors.

Colorado Service Tax Does Not Cover Insurance Income

DENVER, June 2.—Neither fire nor automobile insurance premiums will be subject to the recently enacted Colorado service tax, according to an opinion expressed recently by Robert Bosworth of Pershing, Nye, Bosworth & Dick, attorneys for the Rocky Mountain Fire Underwriters Association. Mr. Bosworth held that the 2 percent tax on premiums

is clearly an excise tax and that, consequently, the writers of such premiums are exempt from payment of the service tax since the law specifically states that the tax does not apply to services already covered by an excise tax. This opinion seems to be upheld by State Treasurer Bedford who, in filing with the secretary of state the first draft of the rules and regulations governing the collection of the tax, exempts services performed in writing insurance policies as not taxable since they are not mentioned in the act creating the tax.

Los Angeles Insurance Survey

LOS ANGELES, June 2.—After completing a survey of the insurance business in the city, the general insurance committee of Los Angeles chamber of commerce reports that between 1,800 and 2,000 agents and brokers in Los Angeles area write approximately \$70,000,000 in premiums annually for insurance of all kinds, except life. Out of this \$70,000,000, the committee estimates that \$60,000,000 remains in Los Angeles in the form of losses paid, commissions, salaries, rents, purchases of office equipment, supplies and other expenses incidental to the business.

Graham Credit Group Manager

LOS ANGELES, June 2.—Melvin E. Graham has been appointed manager of the Insurance Credit Clearing Association of Los Angeles. He was with the Maryland Casualty 17 years, and came to Los Angeles as manager in 1923. Prior to that he was San Francisco manager for several years.

Pacific Board Committees

SAN FRANCISCO, June 2.—Chairmen of sub-committees of the Pacific Board have been announced as follows: Agency status, J. C. Bunyan; earthquake, E. C. Fox; farm, W. W. Gilmore; oil, R. L. Ellis; provisional reporting forms, R. R. Chapman; rates and rules, W. A. Louis; San Francisco metropolitan area, McClure Kelly; schedule, C. A. Craft; southern California, C. A. Craft; sprinklered risk, C. A. Colvin; states, W. W. Gilmore; use and occupancy, H. M. Hinchman.

Swalwell Sells Interest

Howard Swalwell, one of the principal stockholders in the Washington General Agency of Seattle, has retired from the business, disposing of his interest to President C. C. Richford, who is now the principal owner. The agency was sold last year by D. C. McKee, who established it several years ago.

Qualification Law Provisions

SEATTLE, June 2.—The new Washington agents' qualification law becomes effective June 9. It requires that all first-time applicants for agents, brokers or solicitors' licenses take a written examination given by the state insurance department. Life agents, the law provides,

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may secure a 90-day temporary license, but must pass an examination before the end of that time. Commissioner Sullivan announced the publication of an official handbook containing questions and answers upon which the examinations will be based. Examinations will be held weekly at the insurance department's regular offices in Olympia, Seattle and Spokane. Once a month examinations will be given at Vancouver, Bellingham, Yakima, Wenatchee and Walla Walla.

Clarke Awarded Trophy

SEATTLE, June 2.—G. W. Clarke, young Seattle insurance attorney, was awarded the Roy A. Vaughan Memorial trophy at the annual employers' night of the Blanket Club, young men's fire insurance organization. Speakers at the banquet included Commissioner Sullivan, F. G. Clarke, National Board attorney, and D. V. Graves, University of Washington coach.

New Supplemental Rates

SEATTLE, June 2.—The majority of fire companies doing business in Washington have filed new rates for supplemental coverage. The new filing calls for a supplemental rate of 10 percent of the fire rate, with maximum and minimum rates. This meets the rate filing made a month ago by the Pearl Assurance.

Survey Idaho Schools

Several insurance companies, at the request of the Idaho state superintendent of public instruction, have begun a survey of the higher institutions of learning upon which the state carries fire insurance. Altogether the schedule at present totals \$4,425,000, the largest single risk being the state university, involving over \$2,000,000. Several new buildings have been completed since the last insurance survey. The survey will save the state between \$1,000 and \$2,500.

Association Gets \$350,000 Line

The Oregon State Agents Association has written an additional line of \$350,000 fire insurance covering the University of Oregon library building recently completed at Eugene. The association has been writing all fire insurance on buildings erected with WPA funds by the state board of higher education. The association is also bidding for the Oregon Liquor Control Commission line which includes numerous stores, warehouses and sales agencies throughout the state.

Hope for Commission Change

SEATTLE, WASH., June 2.—North-west agents are hopeful that the Pacific Board will approve their request for an increase in commissions on provisional reporting form business to the same level as is paid for specific business. The request originated in Oregon, with the Washington and Idaho agents associations joining in several months ago. The California association also threw its support behind the plan. The request was turned down several months ago, but reconsideration was granted. Advance indications are that the proposal is gaining support in several quarters.

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that formerly opposed it. Agents argue that the differential in the commission scale encourages unethical and sharp-shooting tactics.

EAST

Insurance Federation of New York to Meet June 11-12

The Insurance Federation of New York will hold its annual convention at the Hotel Onondaga, Syracuse, June 11-12. The first day will be devoted to golf and a banquet, while a business session will take place the second day.

Speakers at the banquet will be J. S. Phillips, Great American Indemnity, board chairman, and G. B. Parsons, member of the state assembly from Syracuse. Mayor R. B. Marvin will give the welcome, and President T. L. Rogers of the federation will respond.

At the business session, reports will be given by the following: L. A. Wallace, chairman executive committee; J. S. Turn, vice-chairman finance committee; L. L. Saunders, executive secretary and A. J. Young, treasurer. New officers will be elected. A number of officials from the insurance and other state departments will be guests. A. F. Lawrence is general chairman of the arrangements committee.

New Portland Brokerage Rule

PORTLAND, ME., June 2.—The Cumberland County Board, which includes the city of Portland, Me., has unanimously voted that "members of the association shall not pay or allow to brokers in excess of 15 percent of the premium," effective June 1, in accordance with the request of the Eastern Underwriters Association.

Cities Can't Bar Fireworks

Attorney-general Dever of Massachusetts says municipalities have no legal right under the law to bar the sale and use of fireworks. Williamstown, Mass., passed such a by-law at its last town meeting, which is declared unconstitutional. Selectmen are not given such discretionary powers under the state law, declared the attorney-general.

E. R. Porter With Hoover & Diggs

Elmer R. Porter, who was until recently special agent in western Pennsylvania for the Fidelity & Guaranty Fire, has made a connection with the Hoover & Diggs Company general agency of Pittsburgh. For the last several months he has been connected with the Fire Companies Adjustment Bureau in Pittsburgh. He has had 12 years' experience in the western Pennsylvania field and is

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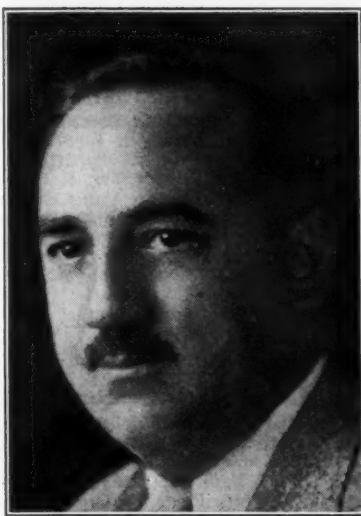
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T. B. DONALDSON

Three men prominent in the business of different relationships will take an active part this week in the celebration of Pennsylvania Insurance Days at Pittsburgh under the auspices of the Pennsylvania Insurance Federation. T. A. Fleming of New York City, supervisor of the conservation department of the National Board, will speak Thursday afternoon when

conservation of life and property will be the chief topic. Commissioner O. B. Hunt of Pennsylvania is on the program for an address Friday morning. T. B. Donaldson, vice-president of the Eagle Fire of Newark, former insurance commissioner of Pennsylvania, will preside over the Friday afternoon ceremonies.

a past president of the Smoke & Cinder Club.

Hoover & Diggs for more than 20 years has supervised western Pennsylvania for several companies. It now represents as general agents companies writing all lines, including life.

New England Agents' Meeting

Plans are now being made for the annual meeting of the New England Associations of Insurance Agents to be held at the Mount Washington hotel, Bretton Woods, N. H., July 1-3. At a meeting of the advisory board of the New England associations a resolution was adopted requesting companies to refrain from general entertainment and presenting gifts for prizes.

MOTOR

Tells About Iowa Conditions

Assistant Secretary Mapes of Policyholders Mutual Clarifies Statement as to Situation in Iowa

Warren Mapes of Des Moines, assistant secretary Policyholders Mutual Casualty, takes exception to a recent article on the meeting that was held by non-conference automobile companies writing business in Iowa, attention being called that rates were getting below the profit line. He says:

"The May 27 edition contained an article captioned 'Non-Conference Auto Men Hold Parley On Iowa Rates,' and read as follows:

"The officers of a dozen or so automobile insurers of Iowa had a conference recently with officers of such companies in other states that operate in Iowa in an attempt to get an understanding as to rates. Some of the larger non-conference companies have become concerned because of the rate competition in Iowa, as there seems to be no bottom. The problem is complicated in that state because mutual companies in Iowa are required to set up neither premium nor loss reserves. Some of the newer companies apparently have little conception of the business and seem to be content to take in enough in premiums each day to pay expenses and current losses. The

more seasoned operators decided to get together and attempt to halt the downward rate trend that has been accentuated by the activities of certain newcomers."

"We know that you will be interested in keeping the records straight and therefore offer the following correction relative to assertions in the above quoted article. You mention 'the problem is complicated in that state because mutual companies in Iowa are required to set up neither premium nor loss reserves.' This is a rank untruth. Our company, for instance, sets up the customary loss reserves, a schedule P reserve on automobile liability premiums, and a 40 percent unearned premium reserve. This is also true of all the other mutual legal reserve companies operating in Iowa—and is in accordance with the insurance code requirements.

Correction Is Made

"It is true that up until recently the assessment companies (which also include the word 'mutual' in their name) have not been required to set up an unearned premium reserve. It was my understanding that this was corrected in a bill passed in the recent legislative session and that these companies are now required to set up an unearned premium reserve.

"You also state that 'some of the newer companies apparently have little conception of the business and seem to be content to take in enough in premiums each day to pay expenses and current losses' and you imply that this criticism is applicable to the mutual companies only. For your information, please be advised that the non-conference stock companies are writing a considerable volume of Iowa business at rates lower than those used by the Iowa mutual companies. It was primarily this condition that resulted in a demand on the part of the mutual companies that the non-conference stock companies come up in their rates along with the mutuals who also desire to make an increase."

Trailers Sales in 1936

Insurance men are much interested in insurance on trailers. Factory sales of automobile trailers in 1936 totaled 53,646, the bureau of the census announced, making public results of the first special canvass of the trailer industry. The trailers were sold by 357 manufacturers

and the net wholesale f. o. b. factory value was \$27,421,763.

Factory sales were reported as follows by the 357 manufacturers: 16,173 house or coach trailers, valued at \$8,496,021; ten house cars, valued at \$9,521; 11,069 passenger car trailers of all other types, valued at \$771,627; 2,519 motor truck trailers, valued at \$2,296,444, and 23,875 motor truck semi-trailers, valued at \$15,848,150.

Auto Collision Rate Outlook

The new automobile collision rates that will soon be announced, are expected to reflect quite an increase in the country territories but the rates in the larger centers are expected to remain about where they are.

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MARINE

Now Sent for Ratification

President Roosevelt Submits Brussels Collision Convention to the United State Senate

The announcement that President Roosevelt had sent the Brussels collision convention to the United States Senate for ratification was a surprise to marine underwriters because this had remained in the files of the State Department for over 26 years and there was a feeling that it would remain there. However, Secretary of State Hull is extremely interested in reciprocal treaties and in international uniformity in all laws respecting foreign trade. The ratification of this treaty will bring this country into agreement with all the other large maritime countries of the world in respect to collisions. The State Department conferred with both the Department of Commerce and the maritime commission and was advised by them that ratification of the collision convention would be of benefit to foreign trade and the American merchant marine.

Many Endorsements

Although this convention was sent to the Senate just a few days ago, several civic associations have already endorsed it and urged its ratification. The New York board of trade, whose members in-

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clude some of our largest importers and exporters, and the Maritime Association of the Port of New York have voted to favor it. The insurance committee of the American Steamship Owners Association unanimously reported in favor of it.

The Maritime Commission has written to the American Institute of Marine Underwriters asking its position in reference to the ratification of this treaty. The institute has a committee which is studying this question and has not yet made its recommendation. In view of the position taken by the prominent exporters of this country, the institute may decide to go along with its principal assured, although there are some who would like things to remain in statu quo as they feel they now have an advantage which they would lose if we had international uniformity.

Seek More American Cover on the American Vessels

Hendon Chubb, president of Chubb & Son of New York, has been appointed chairman of a committee of the Amer-

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ican Marine Insurance Syndicate to study how American owned and controlled insurance companies may participate to a greater extent in the insurance of American vessels. The committee was appointed by F. B. McBride, chairman of the syndicate, at the instance of the federal maritime commission.

The other members of Mr. Chubb's committee are: W. R. Hedge, president Boston and Old Colony; T. L. Smith, vice-president, North America; W. D. Winter, president Atlantic Mutual; D. F. Cox, president Appleton & Cox; S. D. McComb, president Marine Office of America; F. B. Zeller, U. S. underwriter Royal, and Mr. McBride who is connected with the Fireman's Fund.

Florida Modifies the Floater

TALLAHASSEE, June 2.—The Florida insurance department has amended its approval of the personal property floater to exclude coverage against loss or damage from fire or windstorm on properties in any residence owned or furnished by the insured in Florida. It also provides that policies issued in the state shall carry the following provision: "In consideration of the premium at which this policy is written it is agreed that this policy does not cover any loss or damage caused directly or indirectly by fire or windstorm to any property covered by this policy while such property is in any residence(s) owned or furnished by the assured in the state of Florida, except as to schedule jewelry, fine arts and furs."

CANADIAN NEWS

Has Adjusters Association

Ontario Has a Well Regulated Organization with A. C. Hughes of Toronto as President

In view of the recent organization of the National Association of Independent Adjusters with L. A. Gouldman of Little Rock, Ark., as president, it is interesting to know that the adjusters in Ontario have the Ontario Insurance Adjusters Association with A. C. Hughes, Dominion Bank building, Toronto, president, and W. J. Howe of Toronto, secretary. It holds regular meetings, discusses mutual problems and has papers read before it.

At the May meeting N. G. Bethune, vice-president of the association, spoke on "Inland Marine Insurance and Claims." At the previous meeting T. N. Phelan, a Toronto attorney, spoke on some aspects of the standard automobile policy. He pointed out the position of the company and assured under the reimbursement provision and the procedure to be followed in securing reimbursement was made clear, as was also the position in connection with the statutory conditions having reference to prohibited use.

The group edits a monthly publication.

British Columbia Losses

VANCOUVER, B. C., June 2.—Severe fires in British Columbia the past ten days included the Mines Hotel at Bralorne (Bridge River), which burned for a second time in two years, with loss of \$25,000, Baker Creek hydro-electric power plant, Quesnel, with loss of \$40,000, and the clubhouse at Colwood race track with loss of \$10,000.

New Brunswick License Fees

Following the enactment of a new insurance act and the appointment of E. B. MacLachy as superintendent of insurance, the New Brunswick government announces a new schedule of agents' fees. The fee for life, life and accident, or life and accident and sickness, remains at \$5, for original or re-

newal. For other than these classes, the fee is \$16 for cities, \$5 for towns, and \$3 elsewhere. Brokers must pay \$10. Non-resident agents or brokers will be assessed \$25 for any class. May 31 each year is the date by which renewal must be secured.

Give Saskatchewan Figures

Fire companies wrote net premiums of just under \$3,000,000 in Saskatchewan last year, according to a report just issued by the provincial department. Losses amounted to \$831,657. Ratio of net losses incurred to premiums earned was unusually favorable at 27.22 percent.

Grain Insurance and Guarantee Company reported largest volume during the year at \$307,000. Other large insurers were as follows: Wawanesa Mutual, \$285,000; Saskatchewan Mutual Fire, \$132,000; Royal, \$86,000; and Home, \$85,000.

Go Into New Quarters

The United States Fidelity & Guaranty and the Fidelity of Canada, with head offices under the direction of Col. S. W. Band, have new headquarters at 32 King street, East, Toronto. They are occupying the first and second floors of the building.

The Pearl Assurance head office in Canada with L. T. Hargraves has moved to the Victory building, 80 Richmond street, West, Toronto.

Glimpses of General Agents At Work and Play in Denver

(CONTINUED FROM PAGE 4)

the association officers were given instead of the speakers whose picture appeared.

The auditing committee consisted of John O. Smith, Dallas, L. B. Daniels, San Francisco, and C. C. McKnight, Enid, Okla.

J. K. Shepherd was the only representative from Little Rock. Gilbert Leigh had to be in Washington in connection with his duties as southwestern manager of the federal home loan bank system. Others who intended to go to Denver decided to stay on the job because of a hailstorm in the Little Rock neighborhood.

The committee on the president's address consisted of Langdon C. Quin, F. R. Lanagan, Denver, and Ed C. Fox, San Francisco.

San Francisco was represented by five. They were L. B. Daniels of Seeley & Co.; F. J. Pelletier of Hinchman, Rolph & Landis; Ed. C. Fox of Cravens, Dargan & Fox, who is president of the California Association of Insurance General Agents; P. D. Richards of Richards & Rohrer, and Harry D. Haupt, who has a reinsurance office. Mr. Fox went to Denver from Chicago where he attended the dinner for George W. Blossom.

The local committee that was responsible for the entertainment consisted of Reed Penington, Charles F. Cashman and Fred R. Lanagan of the Daly general agency.

Harry G. Casper, U. S. manager of the Eagle Star, was accompanied by Mrs. Casper. They are on a trip to the far west and south and expect to be away until June 14. They are visiting Salt Lake City, Portland and Seattle, San



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Francisco and El Paso, New Orleans, Mobile and some other cities.

On the final day of the convention, Charles F. Cashman of the Cashman & Evans general agency, Denver, and Mrs. Cashman, entertained a party of about 14 at the Denver Club. One of the guests was Mark A. Skinner, who is a Denver local agent and is superintendent of the Denver mint. After the luncheon, the guests were taken through the mint and had a visit with Mrs. Nellie Taylor Ross, director of the mint.

J. K. Shepherd of Little Rock and Mrs. Shepherd went from Denver to Roswell, N. M., to visit their son who is a student at a military academy there.

L. B. Daniels, San Francisco, gave the membership report. He is coming to the front in the organization, and next year will undoubtedly be elected president. He estimated that 92 percent of the general agents who could qualify for membership belong to the association.

E. J. Radbourne was the only member present from Kansas City.

At the suggestion of Langdon C. Quin, Atlanta, Secretary Herbert Cobb Stebbins of Denver will again gather statistics as to the volume of business that goes through general agency channels. A few years ago such a survey indicated that the premiums of fire general agents amount to about \$7,000,000.

L. B. Daniels of Seeley & Co., San Francisco, the new chairman of the executive committee, presented an official invitation for the general agents to meet in his city in 1939, the year of the big fair. The invitation had been prepared in the form of a handsome booklet, signed by the governor of California, mayor of San Francisco and by the California Association of Insurance General Agents.

On motion of J. K. Shepherd, Little Rock, the members voted that they would like to go to San Francisco that year.

Illinois Anti-Clearance Bill

The bill to prohibit maintenance of a clear agency policy, introduced in the Illinois house by Representative Palmer of West Frankfort, a local agent, came before the insurance committee and was reported out favorably. The bill to the same end which was passed in Indiana evidently has inspired the introduction of such legislation elsewhere. A similar bill was introduced in Wisconsin but it has been squelched. The passage of the Indiana act is having a potent influence in many ways.

William Lindert has purchased the C. A. Waddle agency of Bridgeport, Wash.

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Undertakes Study of Picking Agents

(CONTINUED FROM PAGE 21)

has shown himself an able and energetic worker. He has served for the past year as second vice-president and also as chairman of the program committee. In addition to handling the general details in connection with the preparation of the program, he took personal charge of the agency management session, which was generally acclaimed as the most successful held since the plan of holding a separate session devoted to that subject was inaugurated.

Two Nebraskans Honored

While for many years a vice-president and a director of the Woodmen Accident, which his father founded, he had not been active in its management until the death of his brother, E. J. Faulkner, then president in 1931. Prior to that time he had been engaged in engineering and construction work. It was the father's ambition to have all of his sons connected with the company which he started and it was realized when A. E. gave up his other work to assume the presidency after his brother's death. His selection means that Nebraskans will head the conference for two years in succession, as President Carroll is from Omaha.

J. M. Powell, Loyal Protective, first vice-president, and E. A. McCord, Illinois Mutual Casualty, secretary, both were reelected. L. D. Cavanaugh, Federal Life, succeeds Mr. Faulkner as second vice-president.

Miss Marie Mead, for some years secretary to Harold R. Gordon, executive secretary, was elected assistant secretary of the conference, in recognition of her efficient service.

Taxation Important Topic

Many important points of general interest on the subject of taxation were brought out in the legal session, devoted entirely to that subject. In the absence on account of illness of Chairman Thomas Watters, Jr., H. N. Lukins, general counsel Washington National, presided. Mr. Watters was also to have spoken on "Taxes Under the Social Security Act" and sent a telegram offering to answer any questions relating to the operation of that act which might be submitted.

The session opened with the comprehensive review of taxation of accident and health insurance companies, federal, state and local, prepared by R. H. Matthias of Ekern & Meyers, Chicago, with the assistance of H. H. Naujoks of the same firm, delivered by Mr. Naujoks, who was formerly assistant attorney general of Wisconsin.

In discussing the federal income tax as it affects life companies writing accident and health insurance, Mr. Lukins gave especial attention to the differentiation in the federal law as to the basis of taxation of life companies and casualty companies, the rate for the latter being higher. A life company is defined as one, more than 50 percent of whose reserves "required by law" are on its life business. The phrase, "required by law," is not specifically defined in the statute, but he cited federal court rulings that claim reserves are not so classed. With those reserves omitted, many a company writing both life and accident-health would have more than 50 percent of its reserves on its life business and could therefore be classed as a life company for purposes of taxation.

State and Local Taxes

J. M. Powell, Loyal Protective, who discussed state premium taxes, pointed out the importance of the retaliatory laws of 31 states, including all the most important ones, in that connection and the necessity for checking on that point before entering any new state. He said that while the adoption of uniform laws is desirable in theory, the only way in which it could ever be done would be through an increase in the states which now have the lower rates, as

those with higher rates will not reduce them. He therefore opposed any agitation along that line, but urged vigilance to prevent any further increases.

He also opposed the idea of sending a notice to policyholders showing them that the tax is included in their premium and said that the best results along that line could be obtained through general organizations such as the U. S. Chamber of Commerce, praising very highly the work it has done in that connection.

The paper prepared by V. J. Skutt, Mutual Benefit Health & Accident, on municipal occupational and franchise taxes was read by E. A. McCord, Illinois Mutual Casualty, conference secretary.

Speaking on state fees, for license, filing, etc., C. O. Pauley, Great Northern Life, pointed out that they are affected by the retaliatory laws as well as premium taxes. He showed the great variation in such fees in various states, particularly for agents' licenses, and made a like comparison in regard to the publication fee imposed in many states.

Badger Asks Cooperation

W. O. Badger, New York City insurance attorney, spoke on the need for greater cooperation by companies writing personal accident insurance in regard to cases appealed to the higher court which are likely to establish a dangerous precedent, citing the Rascoe case and one or two others. He contended that in such cases a brief should be filed *amicus curiae*, representing the business as a whole. He said he had taken the matter up with the Association of Casualty & Surety Executives, which referred him to the Bureau of Personal Accident & Health Underwriters and that body passed him on in turn to the Health & Accident Underwriters Conference, as the only organization having power to take such action. He suggested that a committee be appointed, which could be notified when companies have cases that are affected with a general interest. Mr. Lukins assured him that the matter would be taken up by the legal committee of the conference.

Just before adjournment, invitations were received from numerous organizations in Omaha, asking that the conference hold its next meeting in that city. Similar invitations were received later on from Excelsior Springs, Mo. The matter was left to the executive com-

mittee for decision at its mid-year meeting.

Harvey H. Shomo, now chairman of the board of the American Casualty, active in conference affairs almost from its inception, was elected an honorary member of the conference.

Memorial resolutions were adopted for officials of member companies who had died since the last meeting, including J. W. Kirksey, Provident Life & Accident; E. C. Bowlby, Fidelity Health & Accident; H. C. Curtis, National Casualty; R. J. Giles, Occidental Life, and T. J. Tyne, National Life & Accident.

SOME HEALTH & ACCIDENT CONFERENCE SIDELIGHTS

Prize winners in the various events who received their prizes at the banquet, were:

Golf—Low gross, J. M. Powell, Loyal Protective; Brackett Trophy (low net), H. G. Royer, Great Northern Life; second low net, J. W. Scherr, Jr., Inter-Ocean Casualty, and F. E. Stratmann, United Commercial Travelers (tied); high gross, L. J. Adelman, National Travelers Casualty; blind bogey, W. I. Aitken, Lincoln, Neb., and E. A. McCord, Illinois Mutual Casualty; most strokes on one hole, Preston Kendall, Washington National; special prize, Dr. J. R. Neal, Alliance Life.

Horseshoes—First, F. L. Merritt, Monarch Life; runner-up, DeWitt Stern, Brooklyn, N. Y.

Ladies bridge—Mrs. R. L. Walker, Mansfield, O.; second, Mrs. R. J. Ream, Kansas City.

* * *

A telegram was sent to C. W. Ray, Hoosier Casualty, former president and conference veteran, regretting his inability to be present. On the way to Chicago, several members telephoned Mr. Ray from the station in Indianapolis, extending further good wishes.

* * *

The birthday of **Harold R. Gordon**, executive secretary, during the convention period was the occasion for felicitations from his many friends.

* * *

H. G. Rockwood, United of Chicago, was the dean of conference attendants present at this session. He attended his first conference meeting in 1910 and could find no one else at this meeting who had been there at that time.

* * *

Henry Reichgott, Equitable Life of New York, attended the meeting en route to Chicago for the American Institute of Actuaries.

* * *

George R. Kendall, retiring president was just winding up three weeks of conventioning. He first attended the Industrial Insurers Conference at Asheville, went from there to New York for the meeting of the Bureau of Personal Accident & Health Underwriters, and then to White Sulphur Springs.

Subjects Suggested for Research

(CONTINUED FROM PAGE 21)

the good, he said, would give some idea as to:

- (1) How were good men recruited and where do they come from?
- (2) How old were the good men when they came into the business?
- (3) Are the marital status and number of dependents factors in success?
- (4) What is the significance of previous education?
- (5) What can be judged by previous occupation and experience? (a) Did type of work, length of service indicate real ability? (b) Was past experience along the lines of meeting people, selling people or managing people? (c) Does his past experience indicate that he has been a hard worker? (d) Does past experience indicate ability to drive himself—to stick to a project?
- (6) What about previous earnings? (a) Does the man who has earned big money have as good a chance as the man who has made from \$1,800 to \$2,400 a year? (b) Willingness and ability to meet obligations.
- (7) Did he have many contacts before coming into the business? Was he well known?

There are other personal history factors, Mr. Young said, which might offer interesting possibilities for exploration, such as:

- (1) Honesty and reliability; (a) character background; (b) habits.
- (2) Personality characteristics: (a) ambition; (b) initiative, (c) mental alertness, (d) agreeableness, (e) appearance, (f) adaptability, (g) imagination, (h) loyalty.
- (3) Amount and kind of insurance owned personally.
- (4) Health.

More Good Business Needed

"We should desire something besides just 'more business,'" Mr. Young said. "We should desire 'more good business' and this can come only as the result of the right type of men. There is a definite relation between the type of man and the type of business. Our lapse experience as well as our claim ratio prove this beyond a shadow of a doubt. Our 'yardstick' for measuring good agency work in the future will be the number of good men we can develop to a point where they make our business their life work."

Novel Rule on Reciprocal Exchange Assessments Made

(CONTINUED FROM PAGE 21)

losses shall not exceed an amount equal to the basic annual premium deposit payable by each subscriber for each year. The proviso limiting the loss assessment is omitted in regard to the expense assessment.

Seems to Extend Liability

Abbreviated accounts of the order do not give the basis for the distinction. The order itself indicates a 100 percent assessment for losses, separately for each year, provided that amount is required.

The effect seems to be that the policy provision limiting assessments to 100 percent of the premium is applied to losses only, while the assessment for expenses is in addition to the 100 percent. This is a distinct novelty in the application of assessments, and of course extends the liability of policyholders.

The application of the assessment power separately to each year is not new, but it is a new reminder to policyholders that their cherished limitation of assessment to one annual premium may be a delusion. If the concern continues in business on a losing basis for more than one year, the assessment may be an additional premium for each year in which deficits occurred.

Buyers' Attitude Is Constructive

(CONTINUED FROM PAGE 3)

some states would not allow the writing of such a contract.

A. P. Lange of Hale Bros. Stores, San Francisco, aroused the envy of many other buyers by his description of a policy which Hale Bros. has had since 1928. This is a blanket public liability policy that covers everything except workmen's compensation, which the company itself insures, and ownership of automobiles and aircraft. Automobile insurance is carried in the same limit as the general public liability policy and in the same company. No aircraft coverage is carried since the company owns no planes.

In this policy, which Mr. Lange said is written in very high grade companies, every single printed condition is ruled out and the policy is made completely comprehensive, covering all of the company's affiliated concerns and those which might be controlled by it or associated with it now or hereafter, extending to include directors and officers, for all liability imposed by law on account of or growing out of the conduct of the business. This includes even such contingencies as assault by a store detective.

Mr. Lange also brought up the question of payment of the broker's commission by the assured rather than by the company. The general reaction appeared to be that while such an idea might be theoretically desirable it is very thoroughly entrenched in the present system of doing business and the practical benefits to be gained by changing do not appear to justify it.

Cost Buyers' Difficulties

Mr. Lange said that efforts to organize insurance buyers' groups in California had met with pronounced hostility from insurance men's organizations on the coast. He told of boycotts being used as reprisals against moves contemplated by some of the buyers which would have adversely affected the interests of local agents. He said that the situation in California is different from what prevails in the east, since the insured companies, though large, are not the mammoth concerns of the middle west and Atlantic seaboard and consequently are not in so good a position to take an independent stand on insurance matters.

There was some discussion of insurance to cover company employees en-

gaged in games and athletics sponsored by the employer, also covering public liability in connection with spectators at events where company teams participated. This is a troublesome cover to place as it frequently happens that the number of spectators runs up into the thousands. Coverage for employees and spectators can be obtained for a nominal extra premium, it was stated, and while some one pointed out that the coverage was subject to abuse there is need for both types of insurance. Usually the company athletic association is in control of games and other sports events but nobody seemed to feel that the association would be much of a buffer in case of claims, which would be laid right on the doorstep of the employing company.

The subject of an automobile compensation insurance plan, which was dealt with by Superintendent Pink of New York at the first day's session came up again in the general discussion. One insurance manager objected to any plan which would leave out the driver or drivers involved in an accident, pointing out that, while such a provision is desirable so that no one is compensated for his own negligence, yet the breadwinner of the family is usually the one driving the car and it is the breadwinner whose earnings it is most desirable to protect from a social and economic point of view.

Mr. Blanchard called attention to a fault in the financial responsibility law of the type which allows each driver a "first bite," saying that under such a law a driver could go on having a normal or above-normal ratio of accidents without ever having coverage at the time of an accident. One accident every 10 years would be a high ratio, yet 10 years would be long enough so that an erring driver would no longer be under compulsion to carry insurance for his previous accident.

Alvin E. Dodd, president American Management Association, commented on the rapid growth of the insurance division, saying that it was the fastest

growing of any of the association's divisions.

Insurance Problem Today Is One of Merchandising

(CONTINUED FROM PAGE 5)

partment store. Not only should the field force be inspired to become sales conscious but the office force as well should be sales minded.

A few years ago the Royal, he declared, decided to inculcate in its field men sales consciousness. F. S. Dauwalter, now director of the Business Development Office, was assigned to produce a logical system of sales stimulation. Field men were required to make weekly reports of sales activities. For four years they were required to take monthly examinations on some insurance subject.

L. E. English took the floor to compliment the Royal on the training it has given its field men and said that he had observed that the Royal special agents had distinguished themselves.

Mr. Conick said several years ago the Royal concluded that the business was in a buyers market as to labor. The Royal accordingly hired 40 young college men, carefully selected. They were "extroverts"; they were men who liked to meet people, and were of the salesmen type. They were put through a school, consisting of 28 lectures on the fire policy plus talks from some of the best field men throughout the country, plus six weeks of salesmanship instruction, plus four weeks of public speaking training. That is the type of field men all companies will have in the future, he said.

During the informal discussion, Mr. Conick said that the companies can learn much in respect of underwriting from general agents. He said in his company the loss ratios of the general agents over the last 10-year period were from three to four points better than

on the company's direct business. He ascribes this result to the fact that the general agent knows the territory in which he operates and the business there. He is in a position to engage in closer underwriting of the agents and the business.

The general agent in unprofitable states frequently has results that are 10 to 15 percent better than the general loss ratio for that state.

Some Features of the Texas Agents Annual Convention

(CONTINUED FROM PAGE 12)

automobile finance and Business Development committees. He gave special recognition to L. W. Gosling, vice-president, for his membership work, the goal of over 1,000 members having been reached.

He also reviewed the London Lloyds situation in Texas. This problem remains to be solved, as well as simplification of the automobile manual. Progress has been made along this line, however. A competitive condition in certain classes of bond business should be remedied quickly, or legislative action may follow, he warned.

Acquisition of small carriers by large fire groups has flooded the field with companies, all wanting a representative volume of business. Because of this companies have sought agency connections and have bargained for their business. This has a tendency to tear down the close relation heretofore existing between company and agent, he stated.

John Boyce Amarillo, reviewed the history of the National association from its inception in 1896. He explained its value as a trade association and why all local agents should belong.

Regulation by Cities of Gasoline Transport Upheld

TOPEKA, June 2.—The Kansas supreme court has upheld the right of cities to regulate gasoline transport traffic through their confines. Following several accidents in recent months in various Kansas towns, the most serious being at Ottawa last July when a transport overturned and caught fire, burning to death the driver and a passenger and several dwellings, a number of cities passed ordinances regulating the transports. Some limited the capacities of those allowed within the city, others defined certain routes that should be followed.

The transport operators formed a state organization to combat these restrictions. Injunctions were secured in some cases. The city of Newton carried its litigation to the supreme court with favorable results. The Kansas League of Municipalities made a study of the transport traffic hazard, hoping to secure enactment of suitable regulations by the legislature which met early in the year, but no action was taken. With the recent supreme court decision it is expected that many cities will adopt further regulations.

Preparations Completed for Insurance Day at Fair

Insurance Day at the Great Lakes Exposition, Cleveland, will be celebrated Friday, June 11, all branches of the business in Ohio joining in a social affair. Insurance Superintendent Bowen, will maintain a permanent department exhibit.

Members of the Insurance Day committee consist of Mr. Bowen, general chairman; D. E. Herren, president Insurance Board of Cleveland; G. H. Thobaben, secretary Cleveland Life Underwriters Association; J. W. Barret, president Cleveland Casualty Underwriters; C. C. Laffer, secretary-treasurer Ohio Association of Surety & Casualty Managers; A. R. Gibson, president Ohio Fire Underwriters, and G. F. Ainslie,

INSURANCE STOCKS

By H. W. Cornelius, Bacon, Whipple & Co., 135 So. La Salle St., Chicago, at close of business May 28, 1937

	Par	Div.	Bid	Asked
Aetna Cas.	10	3.00*	93	96
Aetna Fire	10	1.60	44	46
Aetna Life	10	1.10	29	31
Agricultural	25	3.25*	85	90
Amer. Alliance ..	10	1.20*	22	23
Amer. Equitable ..	5	1.60*	38 1/2	40
American (N. J.) ..	2.50	.55*	12	13
Amer. Surety	25	2.50*	53	55
Automobile	10	1.20*	28 1/2	30 1/2
Balt. Amer.	2.50	.30*	7 1/2	8
Bankers & Ship. ..	25	5.00	100	102
Boston	1.00	21.00	640	650
Camden Fire ...	5	1.00	20	21
Carolina	10	1.30*	24	26
City of N. Y.	10	1.20	25	27
Contl. Cas.	5	1.20	26	27 1/2
Contl. (N. Y.)	2.50	1.45*	36	37
Cor. & Rey. com.	1.00	...	5 1/4	6 1/4
Cor. & Rey. \$6
conv. pvd. A.	1.50	87	91
Crum & For. com.	10	.90*	32	34
Employers Re.	10	1.60	45	47
Fed. (N. J.) new**	10	1.40	41	43
Fidelity & Dep. ..	20	2.00	123	126
Fidelity-Phen.	2.50	1.45*	37	38
Fire Assn.	10	2.50*	70	72
Fireman's Fund. ..	25	4.00	85	88
Fireman's (N. J.) ..	5	.30	10 1/2	11 1/2
Franklin	5	1.20*	30 1/2	32
Gen. Reinsur.	5	2.00	41	43
Gibraltar F.&M.	10	1.20	27	28
Glens Falls	5	1.60	42 1/2	44
Globe & Repub. ..	5	.80	20	21
Gl. & Rut. (com.) ..	25	...	57	60
Gt. Amer. Fire.	5	1.20*	25	26 1/2
Gt. Amer. Ind.	1	.15	8	10
Hallifax Fire ...	10	.90*	25	26
Hanover Fire	10	1.60	32 1/2	34
Hartford Fire ...	10	2.00	69	71
Htfd. Steam Boil. ..	10	1.90*	58	60
Home F. & Mar.	10	2.00	40	42
Home Fire Sec.	10	1.25*	4 1/2	5 1/2
Home (N. Y.)	5	1.45*	35	36
Homestead	10	1.00	18 1/2	20
Ins. Co. of N. A.	10	2.50*	64	66
Kan. City F&M.	10	.60	23 1/2	25
Knickerbocker ..	5	.80	16	17
Lincoln F. (new) ..	5	...	3 1/4	4 1/4
Md. Cas. com.	1	...	6	7
Mass. Bond.	12.50	3.50	58	60
Mer. & Mfrs.	5	.60	11	12
Mer. Assur. com.	5.00	1.60	50	53
Natl. Cas.	10	1.00	17 1/2	19
Natl. Fire	10	2.00	60	62
Natl. Liberty ...	2	.40*	8 1/2	9 1/2
Natl. Union	20	4.00*	128	132
New Am. Cas.	2	.30	14	15
New Brunsw. F.	10	1.35*	33	35
New Hampshire.	10	1.60	45 1/2	47 1/2
New Jersey	20	2.00	47	49
Northern (N. Y.) ..	12.50	4.00*	97	100
North River ...	2.50	1.00*	25	26 1/2
N. Y. Natl. Fire. ..	25	5.00	128	132
Pacific Fire	25	5.00*	132	137
Paul Revere Fire ..	10	1.30*	24	26
Phoenix, Conn.	10	2.50*	83	85
Preferred Acc.	5	.60	18	19
Prov. Wash.	10	1.40*	35	37
Repub. Ins., Tex.	10	1.20	23	25
Rossia	5	.80*	10 1/2	11 1/2
Security	10	1.40	35	37
Sprgfd. F. & M.	25	4.75*	118	121
St. Paul F. & M.	25	6.00	200	205
Travelers	100	16.00	455	465
U. S. Fire.	4	1.90*	52	55
U. S. F. & G.	2	...	23	25
Westchester Fire ..	2.50	1.40*	34	35

*Includes extra. **Canadian funds.

Jr., president Ohio Association of Casualty and Surety Managers. C. A. McCleary, Ohio license division will have direct charge of the permanent exhibit.

Improper Truck Storage

A greenhouse fire in East Liverpool, O., emphasized the advisability of storing automobiles in separate building divisions. One section of the greenhouse building was used for storage of two trucks and three or four private cars.

The garage, display room, and packing and boiler, and greenhouse buildings all communicated. Roofs were of composition and slate on wood sheathing and supports. Floors in the boiler room, display and garage sections were cement and dirt, but the balance were of ordinary wood construction. The wood used in the buildings, and some inflammable containers in the boiler room helped the fast spread of the fire. One factor that helped to hold the loss to an estimated \$20,000 was a favorable wind from the north. This kept the heat and flames from the display room and the main greenhouses.

It is believed that the loss would have been substantially less had the automobiles been stored separately, or had there been good first aid protection. During the time it required for the alarm to be turned in, and for the firemen to make the two-mile run, the hot truck fire involved the building and gained considerable headway.

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at
DAWILL
INSURANCE

In CLEVELAND at
The HOLLANDEN

In COLUMBUS at
The NEIL HOUSE

In AKRON at
The MAYFLOWER

In TOLEDO at
The NEW SECOR

For Your Winter Vacation
In MIAMI BEACH at
The FLEETWOOD
An Exclusive Winter Resort Hotel



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¶ Judged by similar standards the Aetna's Casualty and Surety Sales Course may well be called a university of insurance. Although our students and instructors do not sit on logs there is a high degree of close personal contact which greatly enhances the routine class work. Furthermore, during their five weeks in Hartford these men have the privilege of meeting many company officials and discussing pertinent problems with them.

¶ As a result the graduates go out well prepared to engage in their chosen vocation. They have not only learned many of the important

details of the casualty and surety business but have gained also a new vision of their obligations and opportunities in the field of insurance selling.

¶ Over twelve hundred men from forty-five states and the Territory of Hawaii have completed this splendid course of training, thereby fitting themselves to become successful insurance producers.

¶ For further information concerning this specialized educational program, please address the Home Office Agency Department or the nearest field supervising office.



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THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT

THE SECURITY OF STRENGTH

Strength in a fire insurance company, represented by substantial capital, assets and surplus, provides the policyholder with a feeling of safety and security that is due him as a part of the insurance contract. A policy in The Home of New York offers the utmost in insurance protection. » » » » » » »

THE HOME INSURANCE COMPANY NEW YORK

Strength

«»

Reputation

«»

Service